

Investigation.

Building Department of Board of Education.
Toronto.

Honourable Justice Lennox.
Commissioner.





1

IN THE MATTER of the Building Department of the
Board of Education of the City of Toronto
PROVINCIAL SECRETARY'S DEPT.
RECEIVED.

AUG 18 1919

Transferred to _____

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To His Honour the Lieutenant Governor
of the Province of Ontario.

Your Commissioner, the Honourable Haughton I. S. Lennox, a Judge of the Supreme Court of Ontario, appointed by Letters Patent under the Great Seal of the Province of Ontario, of date the ninth day of January 1918, and directing me to enquire into and report upon the Building Department referred to, begs leave to submit the following report.

Upon receipt of the Commission I gave notice of my appointment to the Board of Education of the City of Toronto and the Legal Department of the City and that I desired to confer with counsel with a view to proceeding with the enquiry. I was instructed that the City Council did not desire to appear. I was informed that the Board would act in the matter and communicate with me within a day or two but no action was taken so far as I am aware until the day of *August* 1918, when the Board by resolution requested me to name counsel and other assistance and proceed with the investigation. I thereupon, on the 9th day of August, after conferring with the Solicitor for the time being acting for the Board, appointed Shirley Denison, K. C. investigating solicitor and counsel and requested him to proceed at

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as early a date as possible.

The Investigation opened in the Administration Building of the Board on the 15th of October, 1918.

J. W. McWhinney, K. C. in the absence of Mr. Brown, overseas, appeared for the Board of Education. It happened that owing to the time necessarily taken in examining the books and records of the Department, collecting and classifying data and the difficulty of discovering and obtaining relevant verbal testimony that my Judicial duties did not seriously conflict with the steady progress of the investigation, but, as Mr. Denison aptly expressed it, the facts had to be all "dug up", and by reason of the preparatory work and difficulty referred to the investigation could only be proceeded with at intervals and was closed, after argument of all parties desiring to be heard, on the 4th of July 1919. In all there were thirty-six sittings, some of them very brief. I realize that aside from the labour involved in meeting the requirements of the investigating counsel and the interruption of the regular duties of the staff, my intermittent occupation of the Board room occasioned a good deal of inconvenience and I cannot too warmly express my appreciation of the invariable courtesy of Mr. Bishop and Mr. Waste and their desire to make my tenancy-at-will in every way comfortable.

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Insurance.

Insurance on the school properties is negotiated and placed by the Chairman of the Finance Committee, Mr. C. A. B. Brown. The rate, 70 cents for a three year term, has been the same for many years. In round figures about \$20,000. is paid every three years. The insurance carried is \$2,586,900. It is not a very adequate protection having reference to the total value of the buildings. The Department has a list of the names of the Toronto agents of the companies insuring. It is quite frankly spoken of and aptly referred to as the "Patronage List", the perpetuation of a time-honoured custom it is said solemnly adopted thirty-five or forty years ago. It means that although the favoured agents do nothing and can do nothing in placing the insurance or fixing the rate--perform no service in fact--yet the premium paid by the Board includes fees or commissions for the agents, puts them upon the same basis as where they solicit/~~it~~ and obtain private individual risks. The contention is that the public should not have to provide a gratuity for these dormant agents; that is, that the sums which go to these agents should be cut out and the premiums and renewal premiums reduced accordingly. Two answers are set up. The first is bold and indefensible, namely, that these men are entitled to this "trifling consideration" as citizens and taxpayers. So are we all but this gives us no right to fatten at the public expense without service. I spent twelve years in what is regarded by some people as the vitiating atmosphere of public life at Ottawa yet my sensibilities are not so impaired that I cannot recognize

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this as advocacy of patronage of a very rank brand. If this were all I would have no hesitation in condemning the system in the most unqualified way. The other answer, if founded on fact, is not so easily met. In substance it is this - "We cannot help ourselves. The Underwriters fix the rate; we cannot effect the insurance in any other way and we cannot by any other device (short perhaps of getting foreign insurance) do any better." Having reference to existing conditions the evidence that this is the case is pretty nearly all one way. But it ought not to remain impossible, even if legislation is necessary, to effect a remedy. Under the circumstances I cannot censure Mr. Brown or the Department. All the same the system so far as it involves patronage is clearly vicious and should end right now. So far as it occasions loss of money--I think it is twenty per cent of the total premium--the Board should get to work at once. There is nothing to justify the payment of fees to imaginary intermediaries. There are no intermediaries in fact. The agents do nothing. It has fallen into a rut. The way has not been pointed to but I am sure there is a way out. A remedy should be sought and I am sure it can be found.

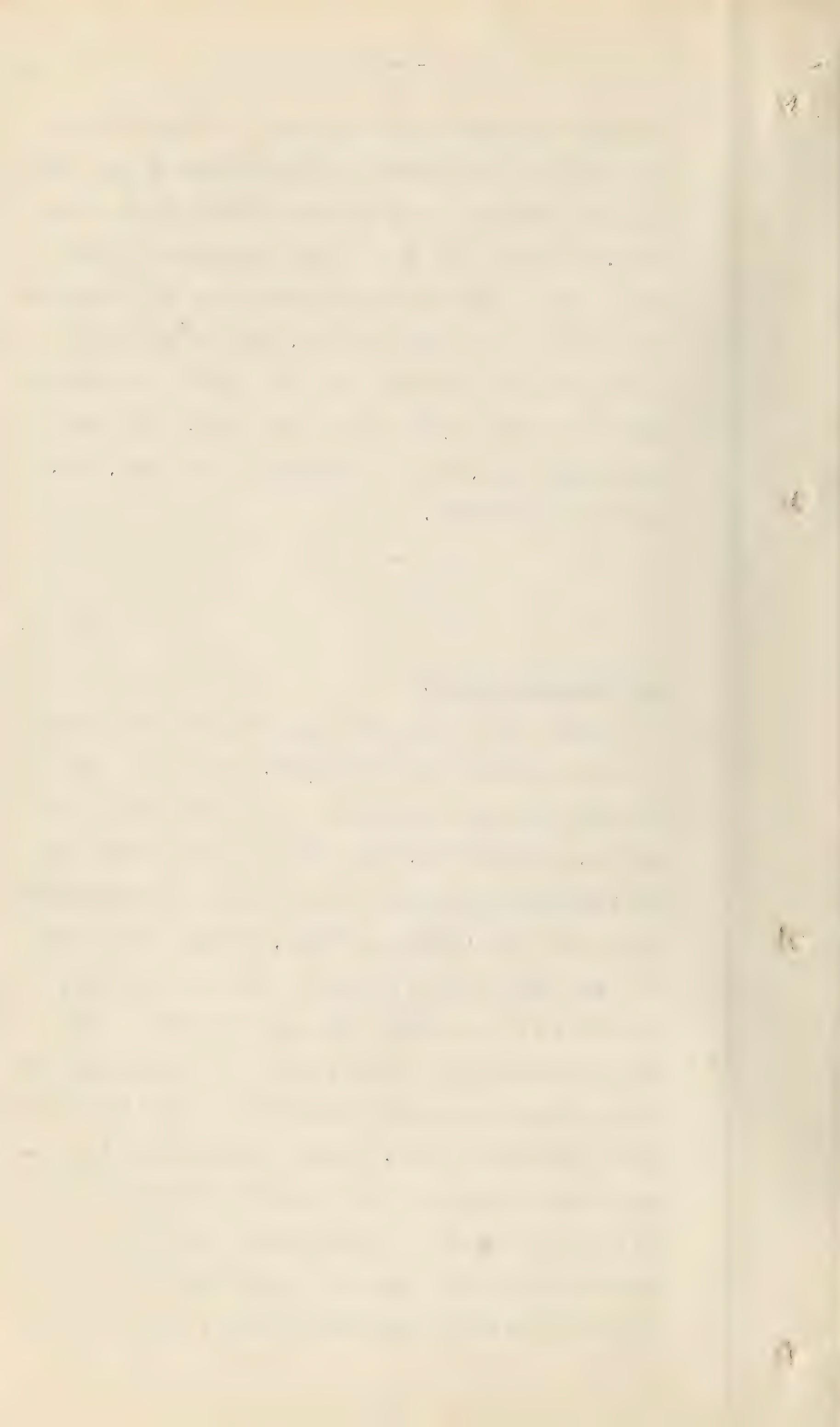
Although his good faith had not been challenged by Mr. Denison, Mr. Brown at the close of the evidence took occasion to disclaim personal dishonesty. He did this, as he said on account of insinuations or charges launched against him at election time. This is indeed a serious imputation. I know nothing of what was in the mind of

the person referred to but there was a published request for people to come forward and give information and all available evidence on all questions opened up has been heard. I think it my duty to state emphatically that there is not a scintilla of evidence direct or circumstantial before me to suggest that Mr. Brown financially profitted by his connection with the school insurance or that he acted otherwise than in good faith. In this conclusion I know, from his statement at the time, Mr. Denison fully concurs.

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The Winchester Report.

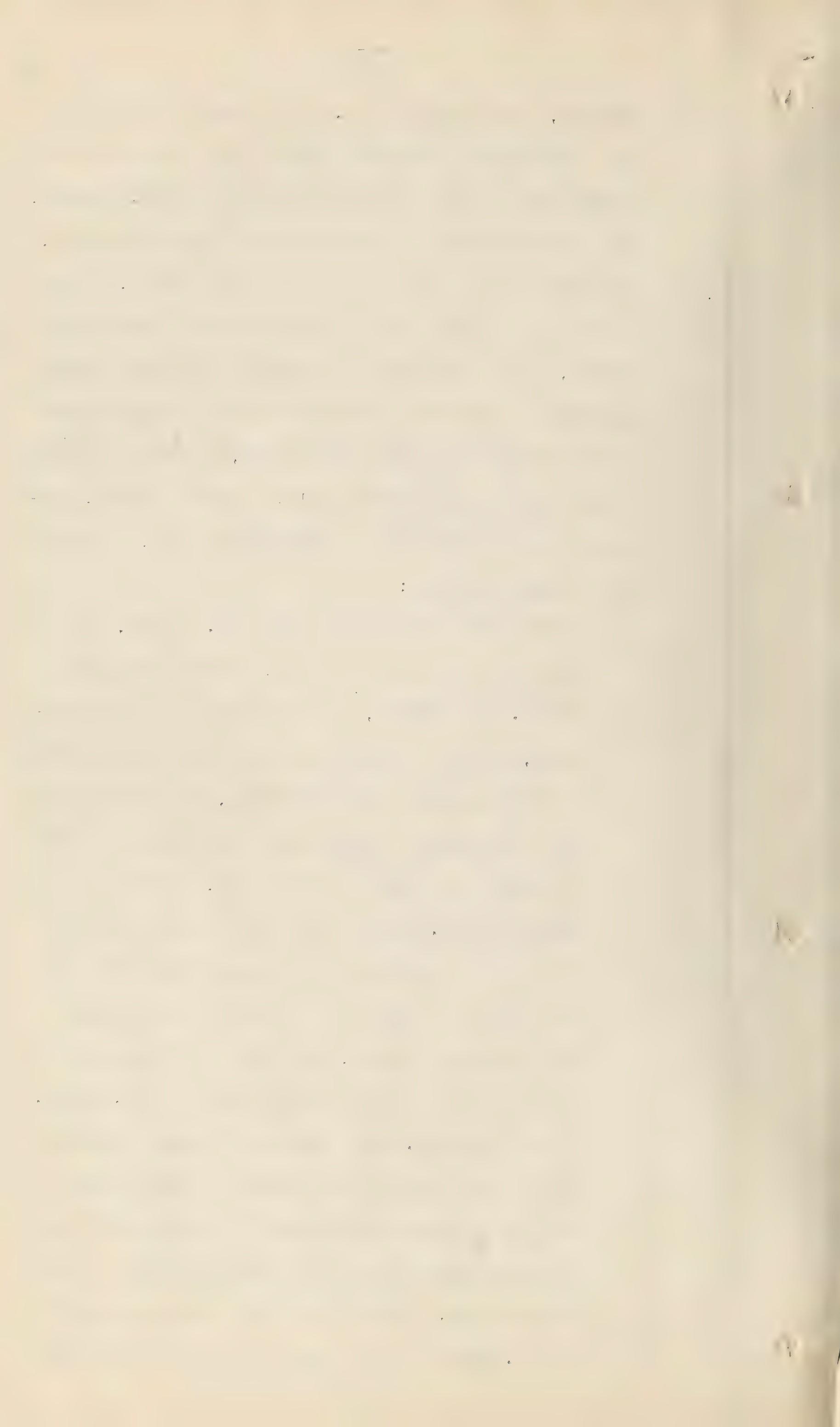
Except that I shall take occasion later on to refer to the satisfactory way in which Mr. Bishop for the most part gave his evidence ~~and~~ the enormous volume of work Mr. Bishop and Mr. Waste attempted to perform and the increasing application and strain their multitudinous duties must have imposed upon them, I regret that I have now come pretty well to the end of all that I can say favourable to the Building Department touching the matters covered by my investigation. It was not necessary or desirable that I should enquire into conditions anterior to the Winchester report. While the Winchester investigation was pending there were complaints of the alleged delay in bringing it to a conclusion. As a matter of fact at the time the Commission issued its report the late Judge Winchester was investigating a previous school



question, the conduct of Mr. L. S. Levee. It is not more difficult to serve two masters than to efficiently perform two separated duties at the same time. However, after an exceptionally searching and thorough enquiry, proceeded with at intervals for several months, Judge Winchester at great personal sacrifice of health and comfort, with a devotion to the public interest rarely equalled and infinite labour in hearing witnesses and the examination of books and records, his report issued on the 18th day of December 1913. In his report, containing recommendations of inestimable value, amongst other things he said :

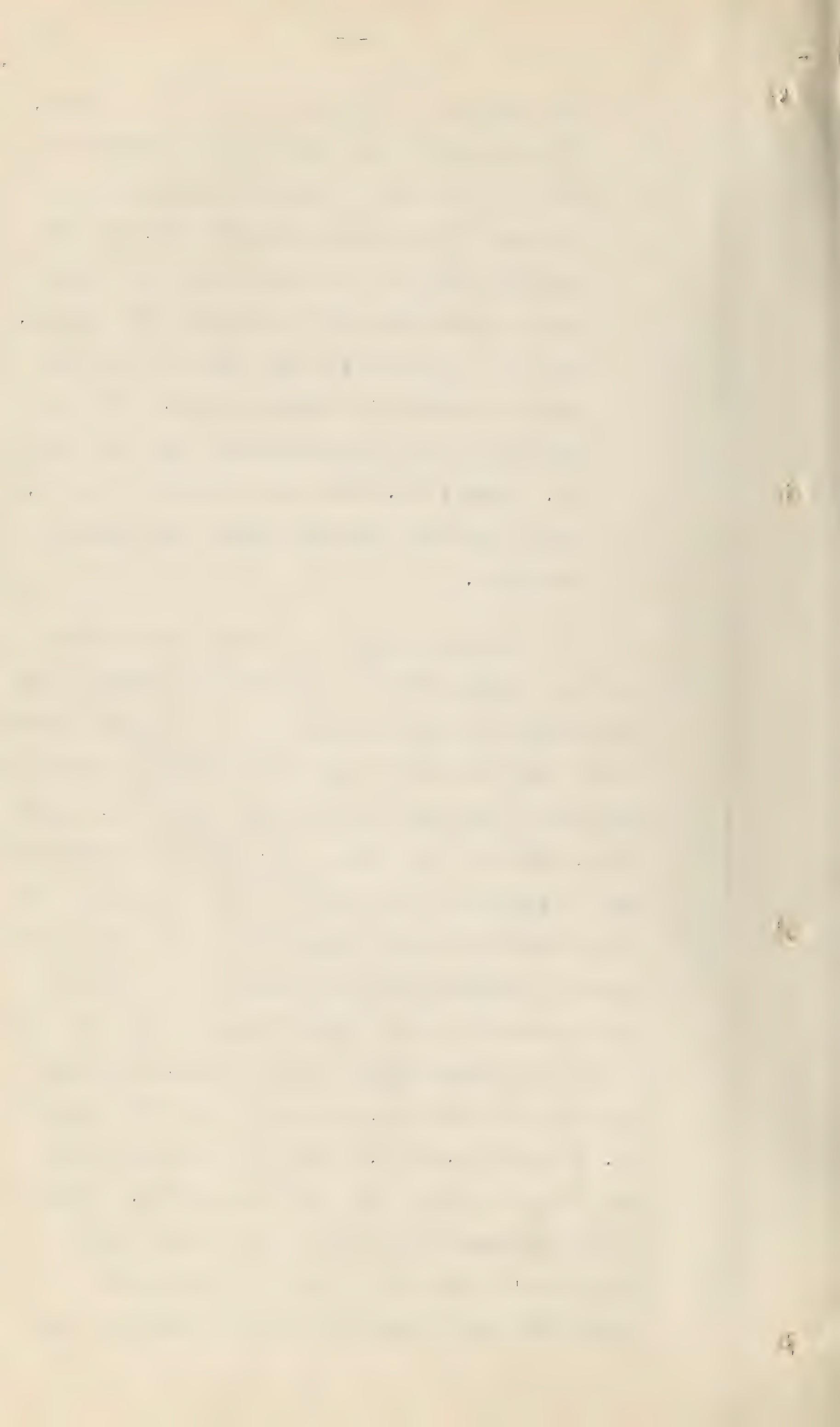
"I find from the evidence that Mr. Bishop, the Superintendent of Buildings, entirely depended "on Mr. A. D. Waste, the Architect of the Department, and his subordinates for the proper drawing "of the plans and specifications, superintendence "of buildings and repairs and the keeping of all "accounts in connection therewith, and that he "permitted Mr. Waste to attend to the building "and repair accounts of the department, that he "was consulted from time to time in connection "with various matters, but that he invariably "left the whole matter in the hands of Mr. Waste.

"I find that Mr. Waste used no business methods "in connection with his office and that instead "of having books and accounts to represent his "transactions he kept the greater portion of them "in his head. There were very few inspections "by Mr. Waste or by inspectors in connection with



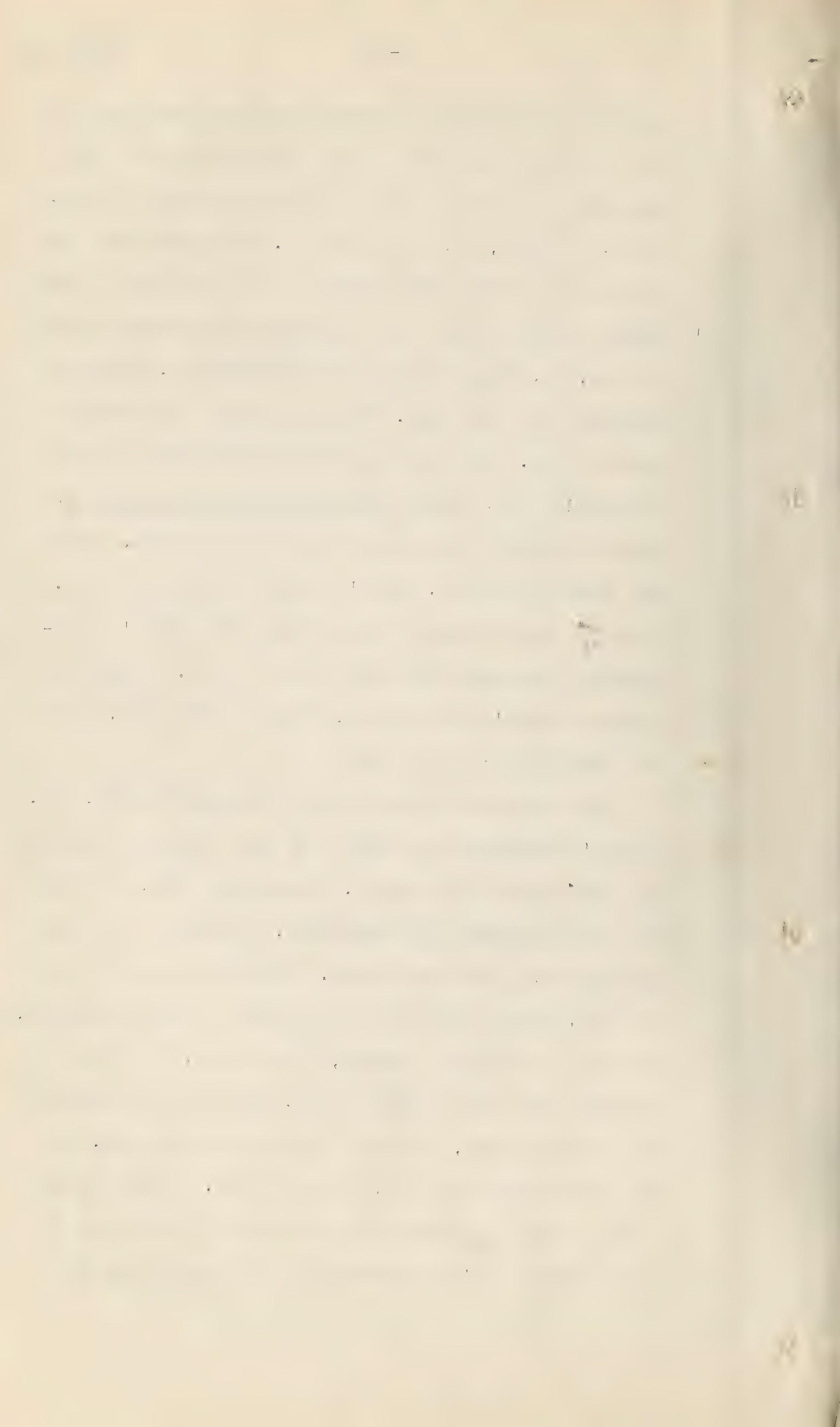
"the erection of buildings or alteration accounts,
"of which any note was taken; that in connection
"with the radiation I find there was no system
"followed in checking up the quantities, that in
"reality matters were allowed to drift and take
"care of themselves until settlements were pressed,
"when the evidence shows the contractor had very
"much his own way in settling matters. In my
"opinion the work was much greater than what either
"Mr. Bishop or Mr. Waste could properly attend to,
"and no business system was adopted in connection
"with same."

It is not my duty to consider the policy of the Board of Education or to challenge or reflect upon its actions in any matter except in so far as any action of the Board directs or impliedly sanctions or encourages negligent or improper conduct on the part of Mr. Bishop or Mr. Waste and I will not do so; but where I find that acts or omissions of the Board led to, or encouraged or countenanced acts of the Department which I feel compelled to condemn I shall not hesitate to distribute the responsibility as it appears to me and rest the blame on all its foundations as fairly as I can. This opens a pretty wide field for, although it does not exonerate Mr. Bishop or Mr. Waste, there can be no doubt at all that the way in which the Board permitted Mr. Miles Voices to manipulate and practically efface Judge Winchester's report was a distinct encouragement to these officials to lapse into their old ways and was



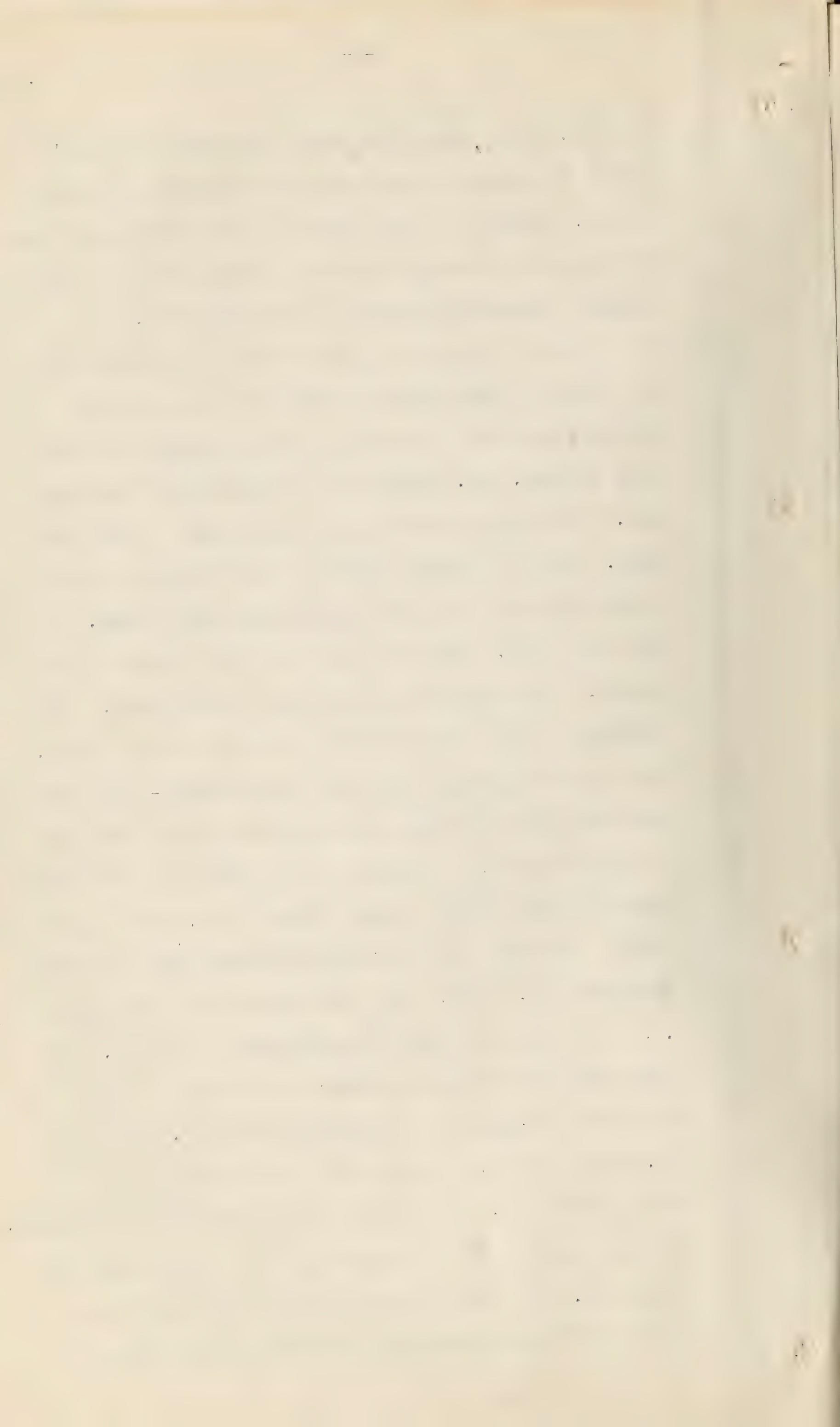
the initial step in a retrograde movement which could not fail to bring about loss to the municipality and did not fail to advance certain undivulged purposes of Mr. Vokes. Well, Mr. Bishop and Mr. Waste were both on trial as the agents and servants of the Board and the Judge selected by the Board condemned the administration of both, Mr. Bishop as Superintendent and Mr. Waste as Architect and assistant. What happened? The Board on motion of Mr. Vokes decided to refer the Report by way of appeal to Mr. Bishop "for consideration and report." Humanly speaking there could only be one result. When the Board adopted Mr. Vokes' motion to commission Mr. Bishop, ^a ~~an~~ jury of one, to review Judge Winchester's conclusions and recommendations it said to Mr. Bishop in effect - "Here's your chance. Try your own case. Make the best of it"; and he did.

The subsequent steps were in natural sequence. Mr. Bishop's opinions were adopted by the Property Committee and ~~then~~ again by the Board. Comment is idle. It would be folly to search for precedents. An action of this character can only occur once. Following closely upon this Mr. Bishop was given full control of the Department, promoted to "supreme command," as he says. This included the power to dismiss Mr. Belfrey, the architect of the department, appointed by the Board in 1912. It was only natural that Mr. Bishop and Mr. Waste should conclude that the Board attached little importance to Judge Winchester's criticisms and recommendations and



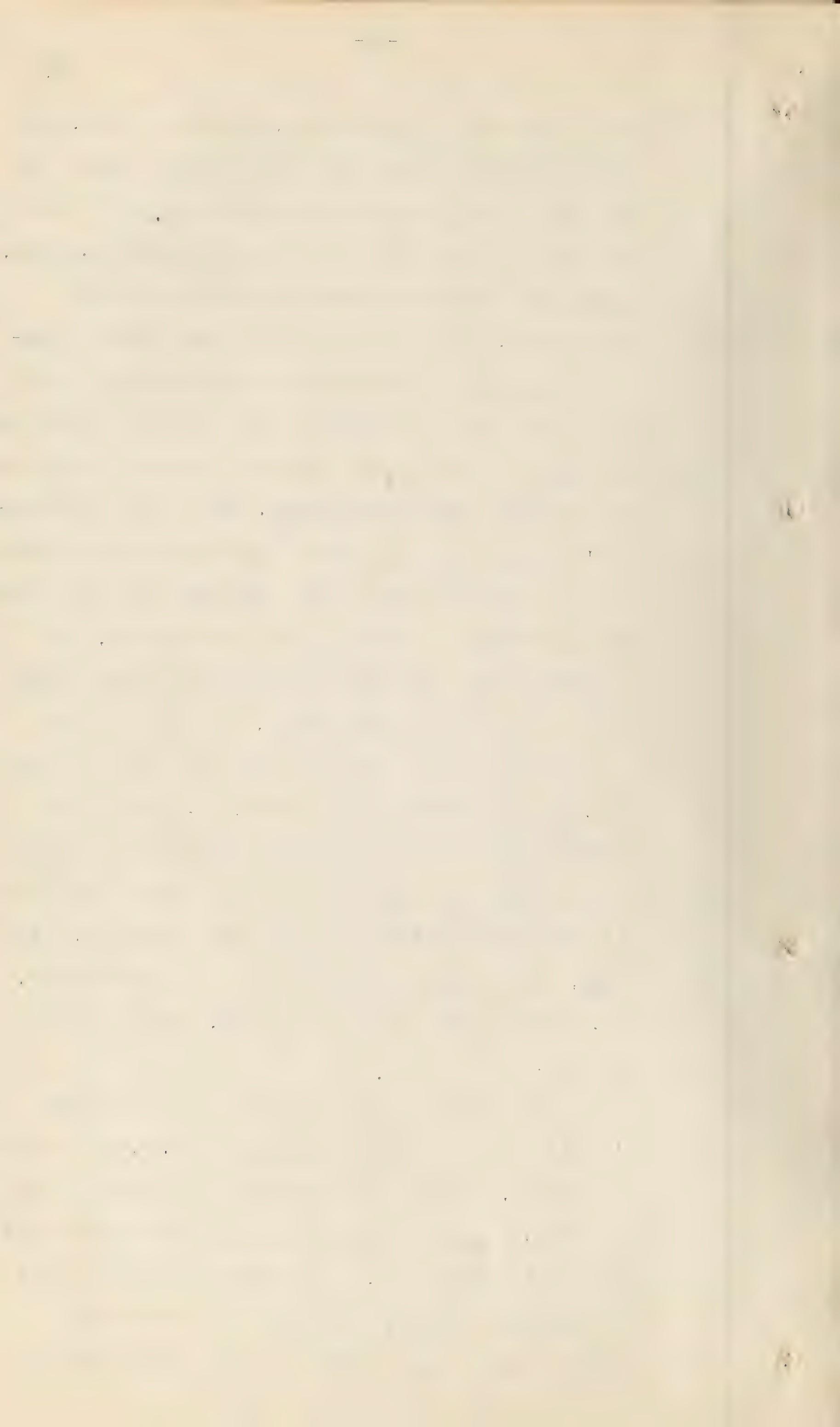
that Mr. Bishop, especially, would interpret the Board's signal expression of confidence in referring the Report to him, concurring in his report and his subsequent promotion as the strongest possible endorsement of the methods theretofore pursued in the Department.

Read in the light of the evidence I have listened to at intervals since October last I am convinced that reorganization of a somewhat drastic character was even then overdue. Mr. Bishop is an exceptionally capable man. I am sure he worked hard and had done excellent work. There is a limit however to the number of diverse occupations that any man can satisfactorily follow. In the case of Mr. Bishop the limit had been reached and passed. Judge Winchester meant more than he said. He probably did not appreciate the attitude of the Board. He did not understand his commission to mean - "We want your decision upon these questions and we will abide by it if we like it." Possibly as a boy he had never been worsted by the subtle formula "Heads I win, tails you lose." He would not of course anticipate the inopportune arrival of Dr. Vokes. By "an experienced businessman in charge" he obviously meant a new man, and this was essential even in 1914; and he meant that successful co-operative administration by Mr. Bishop and Mr. Waste with Mr. Waste wedded to his memory idols was an impossibility. He did not say so with brutal frankness. I can understand his feelings but it is unfortunate all the same. In any aggregation of men there is always likely to be a man who will not hear anything opposed

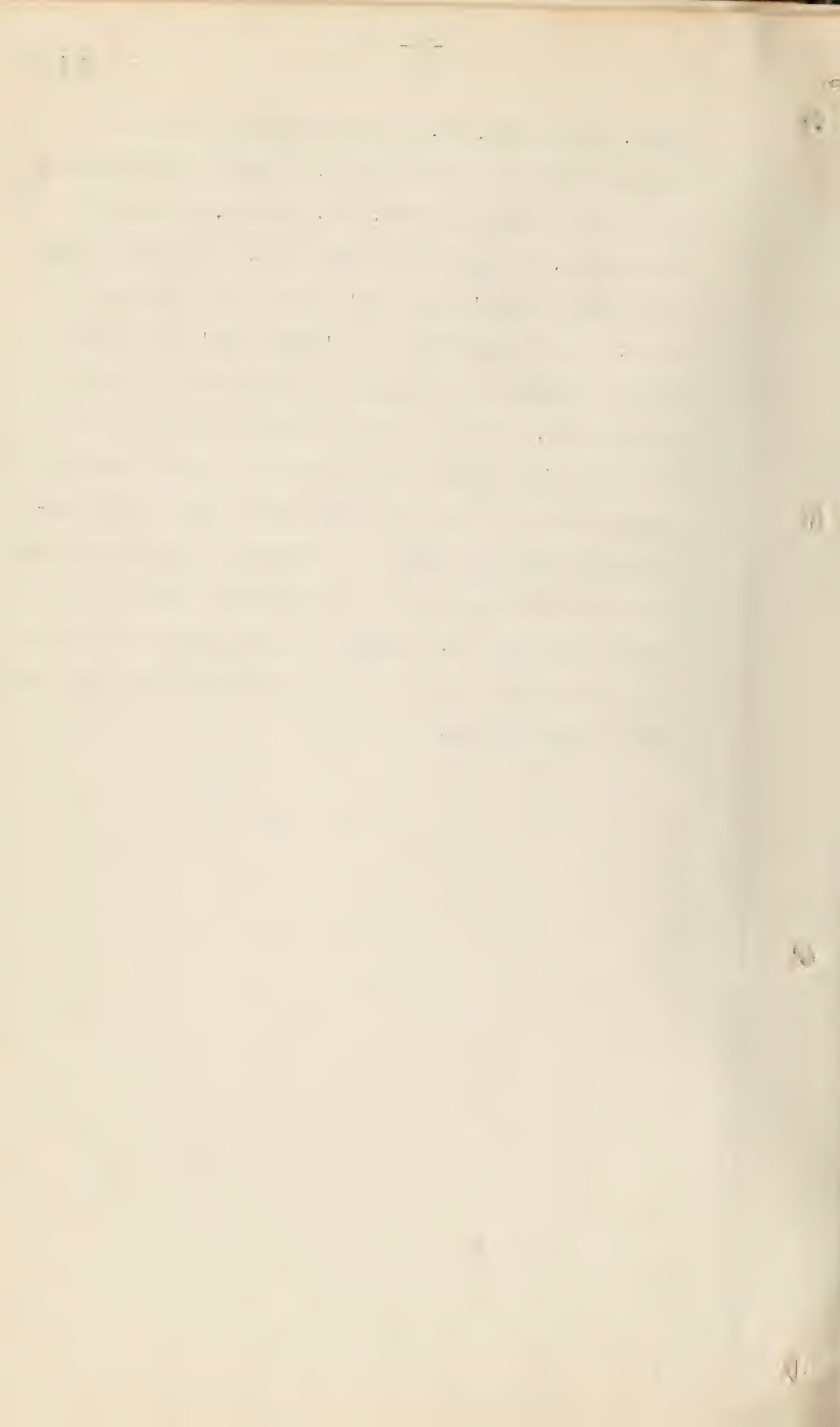


to his purposes or inclinations, unless you shout, and will not listen without the protection of a club. It was not necessary at the beginning of 1914, and I think it would not have been fair or wise to retire Mr. Bishop, reduce his salary or subject him to any unavoidable humiliation. It is evident however that without a fundamental change of system and the substitution or addition of at least two men possessing special qualifications as architects referred to, the Building Department could not be put upon a satisfactory basis. But if Judge Winchester's report had been accorded anything approaching fair consideration the heads of the department would not have been encouraged to revert to their old methods, the appalling waste of money of the last five years would have been checked to some extent, the need of this investigation if not obviated would have been postponed and, when the fitting time arrived, Mr. Bishop might have retired at the end of a strenuous term of service with a degree of credit which I fear I cannot now attach to his administration of the Building Department. In this, as in many instances since my Commission issued, Mr. Bishop has had reason to exclaim, "Leave me from my friends."

The need of a trained architect was realized in 1912 and out of sixteen applicants Mr. F. E. Belfrey was chosen, appointed by the Board at an initial salary of \$3000. a year and put in charge of the architectural work of the Department, in consultation with the Superintendent. I am not going into the controverted question of who was at fault. At the end of about two



years, say in 1914, Mr. Bishop relegated him to the position of Chief Clerk of Works. Shortly afterwards he reduced his salary to £500. Mr. Belfrey, as would be anticipated, resigned in February 1918. Whether he left voluntarily or was 'forced out' is not the important point. I am inclined to think 'forced out' is not far from the meaning of the series of humiliations he was subjected to. It is enough to say that in the position to which he was originally appointed he did good service (though he did not earn the approval of some of the contractors) and was capable of continuing to do good service as the man "in charge of the architectural work of the Department" under Mr. Bishop. If he had been retained in that position the affairs of the Department would have been better than they are.

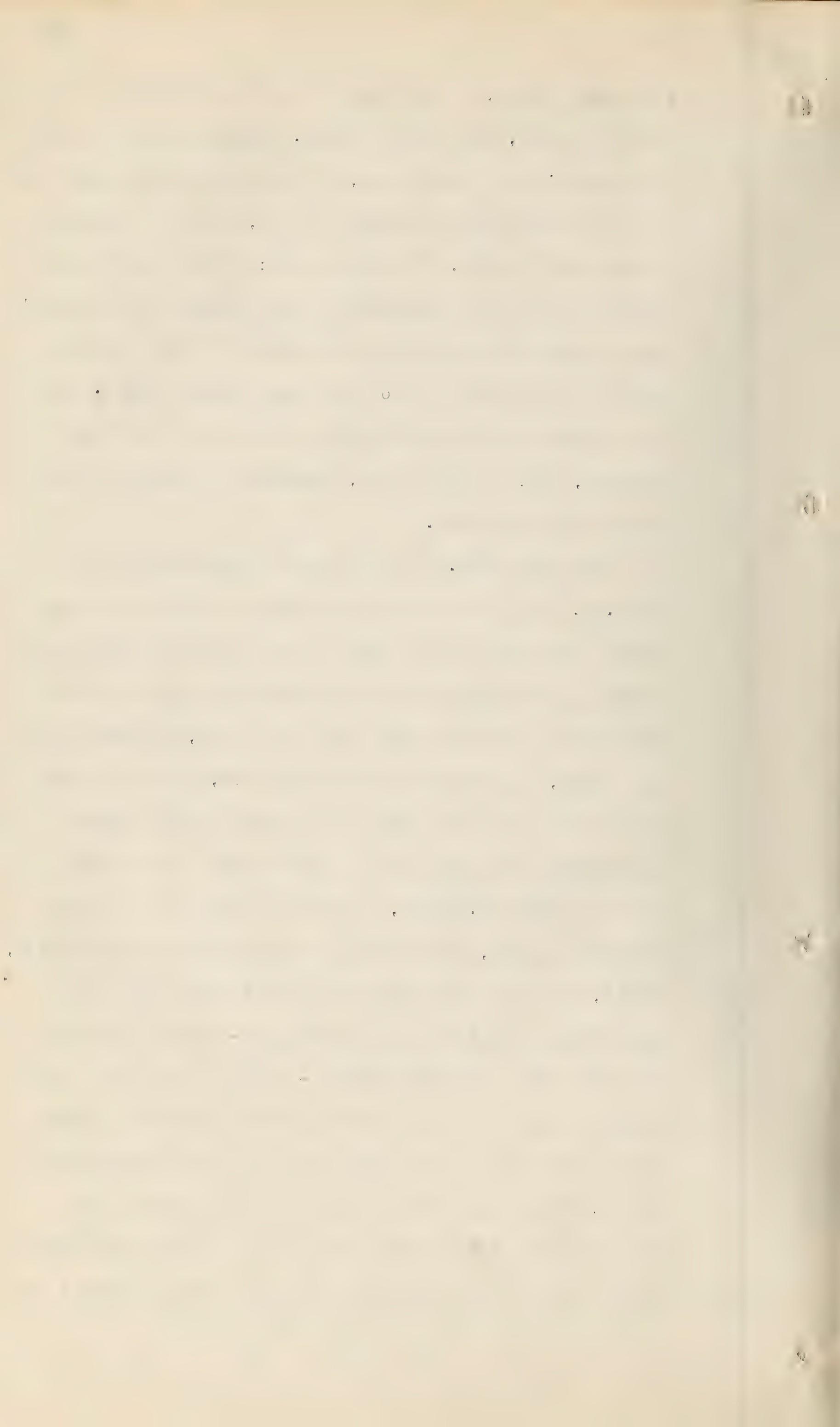


Dr. Caroline Brown's Charges.

Mr. Hinckmore was contractor for the painting of the High School of Commerce. Dr. Caroline Brown complained of the condition of some of the work. This was the origin of the Board's application for a Commission of Enquiry. Mr. Bishop was the first witness and I then formed a favourable opinion of his power of giving evidence. He was invariably courteous, and he appeared to answer frankly and to be willing to tell all he knew as to the methods pursued by the Department in carrying on its work. I would not look for him to be very familiar with details but I expected him to have a thorough knowledge of the scheme of management, leaving it perhaps to others to prove, in specific cases, that the regulations had been carried out; and to know exactly what ought to be done and be able to do from personal investigation, at short intervals, and constant general supervision, that if the system was departed from at all it could only be in exceptional instances and in minor matters. It appeared to me that Mr. Bishop's evidence fell very far short of this. He appeared to know very little about the prescribed or actual management of the department. He apparently had left both pretty much in the hands of Mr. Waste and, too frequently I thought, had to repeat You will have to ask Mr. Waste about this or that. He frequently gave evidence afterwards. I have not changed the tentative opinion I formed on the occasion referred to. I cannot speak in the same way of Mr. Waste. He was not a satisfactory witness. All evidence is supposed to throw light upon the matter investigated. His evidence is of the "indirect lighting" type. He was almost invariably

indirect, shifts, in the sense of getting away from the question asked, and argumentative. Whatever loss of time this subsequently occasioned, he lost no time in manifesting this unfortunate tendency; to wit, on the second question put to him. He was asked: "Are I right when I call that (a paper produced to the witness) your office's instructions for the final certificate?" The answer could only be "Yes" or "No" and was finally "Yes"; but the reporter had to record 152 words before "Yes" was elicited, and, I would judge, hundreds of pages by reason of this sort of thing.

Including £557.53 for extras Phinnemore was paid £5872.33. The final certificate above referred to was for the balance of this total, claimed by Phinnemore and allowed by the Department in ignorance of the fact that the work was not completed. It bears date, and presumably was issued, on the 20th of February 1917, but the account on which it was based was not adjusted or the amount ascertained until the 14th of March 1917. This looks bad enough but Mr. Waste, intending to put it in a more favourable light, interjected an argumentative explanation, namely, that the certificate was not issued until the account was adjusted and was then post-dated in order to evade the terms of the contract - that is, that the final payment is not to be made until thirty days have elapsed after adjustment and the issue of the final certificate; and Mr. Waste adds "This is often done." If this is what happened it places the writer in an infinitely worse light. The first might be an excusable irregularity; the

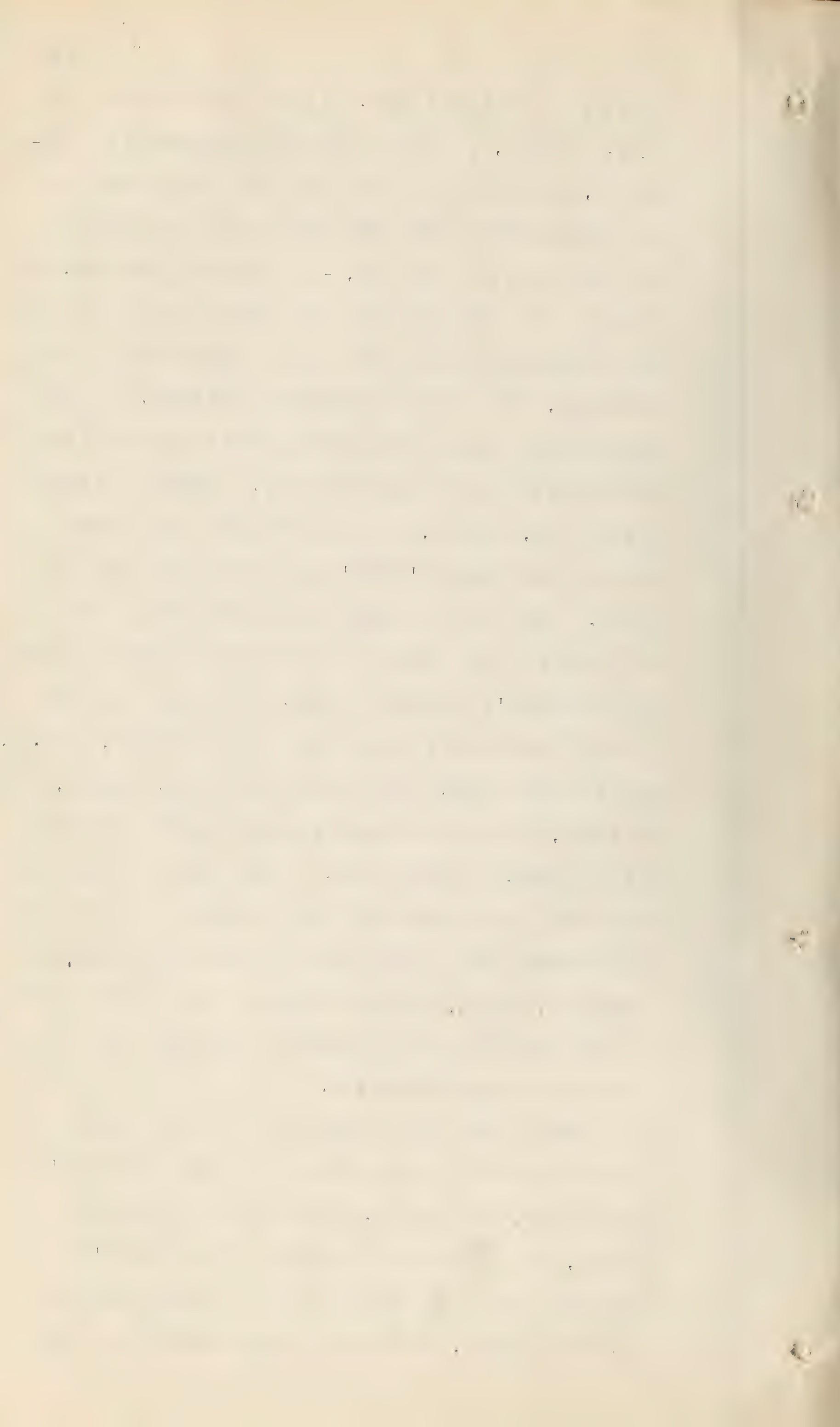


latter involves deliberate evasion of a salutary safeguard and the false dating of a public record -- things not to be tolerated. As a rule the law does not regard any kind of juggling or tampering with public documents or records as a little thing. In this case the money was paid before the account was passed upon by the Committee and a recommendation was forwarded and approved for payment of money already paid. It is said this has not happened frequently. It should never happen. Mr. Waste says this was not the fault of the Building Department. He knew that it could happen, since no provision in the contract intended to prevent it and, if his suggestion is to be accepted, deliberately evaded it. The initial wrong was his and to my mind not justifiable. If, in exceptional circumstances, a contractor ought to be paid at an earlier date than the contract provides, let it be modified openly and honestly by the proper authority, and distinctly recorded. What cannot be done directly and openly cannot properly be done at all. Public records should not be left open to alternative interpretations. They should speak for themselves and mean what they say. This is indispensable.

The amount immediately under consideration is not large; \$300, or \$400, would make good all that Phinnemore was responsible for and neglected to do. He admits that the eastern windows were left in bad condition and claims that the stairways were properly painted. A little of what is complained of is the work of another contractor.

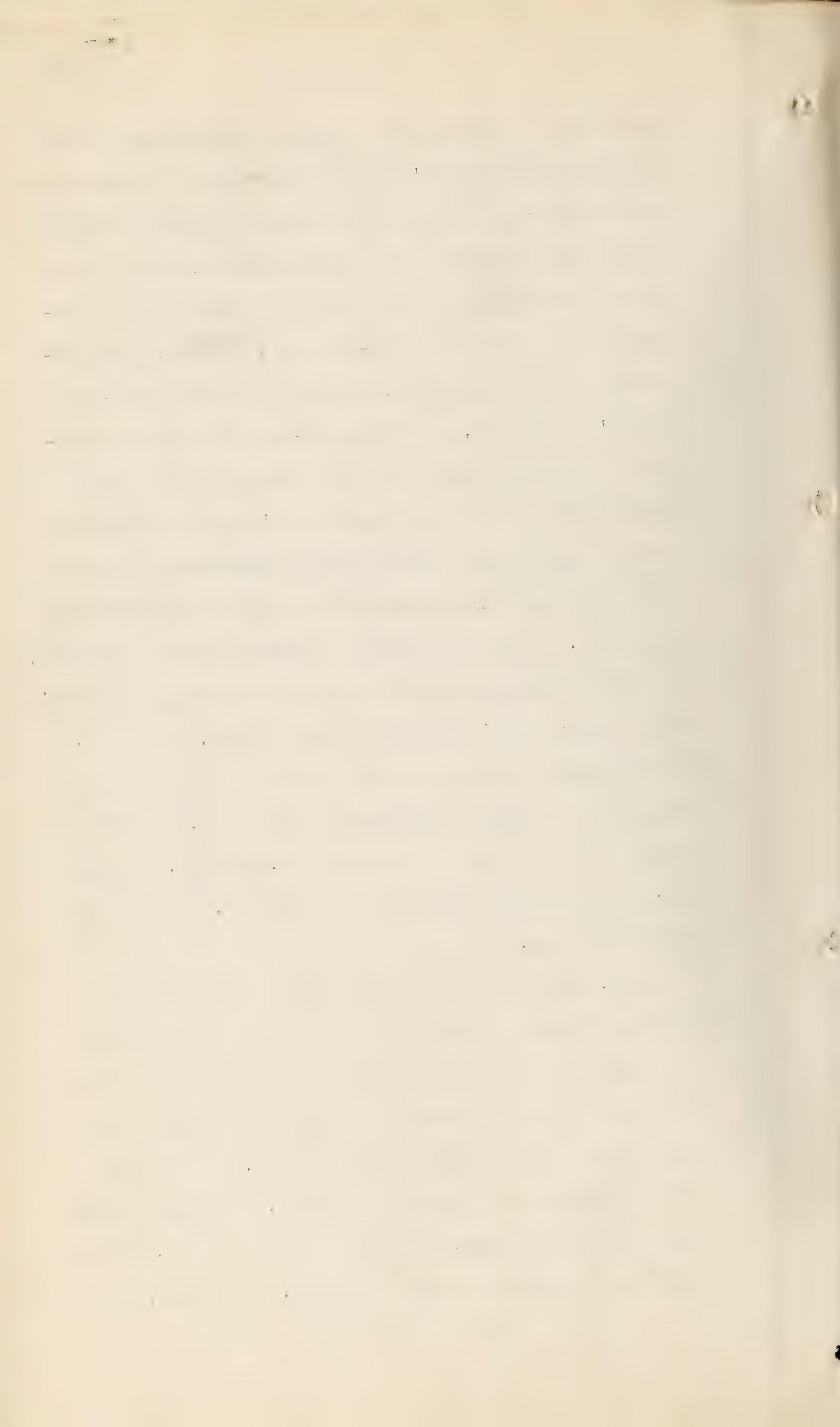
He says it would cost \$175. to paint the stairways, one coat. Stewart, a witness decidedly favourable to Phinnemore, says that at the time the work was accepted by the Department it would cost \$150. to put the eastern windows into fair condition, - it will cost more now. The amount is of comparatively little consequence; it is what the transaction reveals and what it suggests as to other contracts, this being an accidental discovery. The thousands and tens of thousands wasted in matters I have investigated will be taken up later. There is another little item, however, in connection with this account. Certain pipes called 'ducts' were to have two coats of paint. The specifications provided that they were to be painted by the plumber but by error they were included in Phinnemore's contract as well. It is said that both painted them; at all events both claimed payment, \$113.45, and both were paid. The reason given by Mr. Baumann, Clerk of Works, was that the extra painting was "no detriment" to the pipes. I quite agree. I find that the reason of the double payment was that the department did not want to advertise that it had bungled at the head office, and advertise, as well, the utter failure of the outside staff to keep track of the work while in progress that this incident necessarily implies.

Nothing would have been heard of the Phinnemore matter but for a quarrel between the Master Painters' Association, of which Mr. Phinnemore is a prominent member, and the Union of Painters. Mr. Denison's alertness led to the discovery of the double payment. Mr. John Stewart, who for many years devoted his time



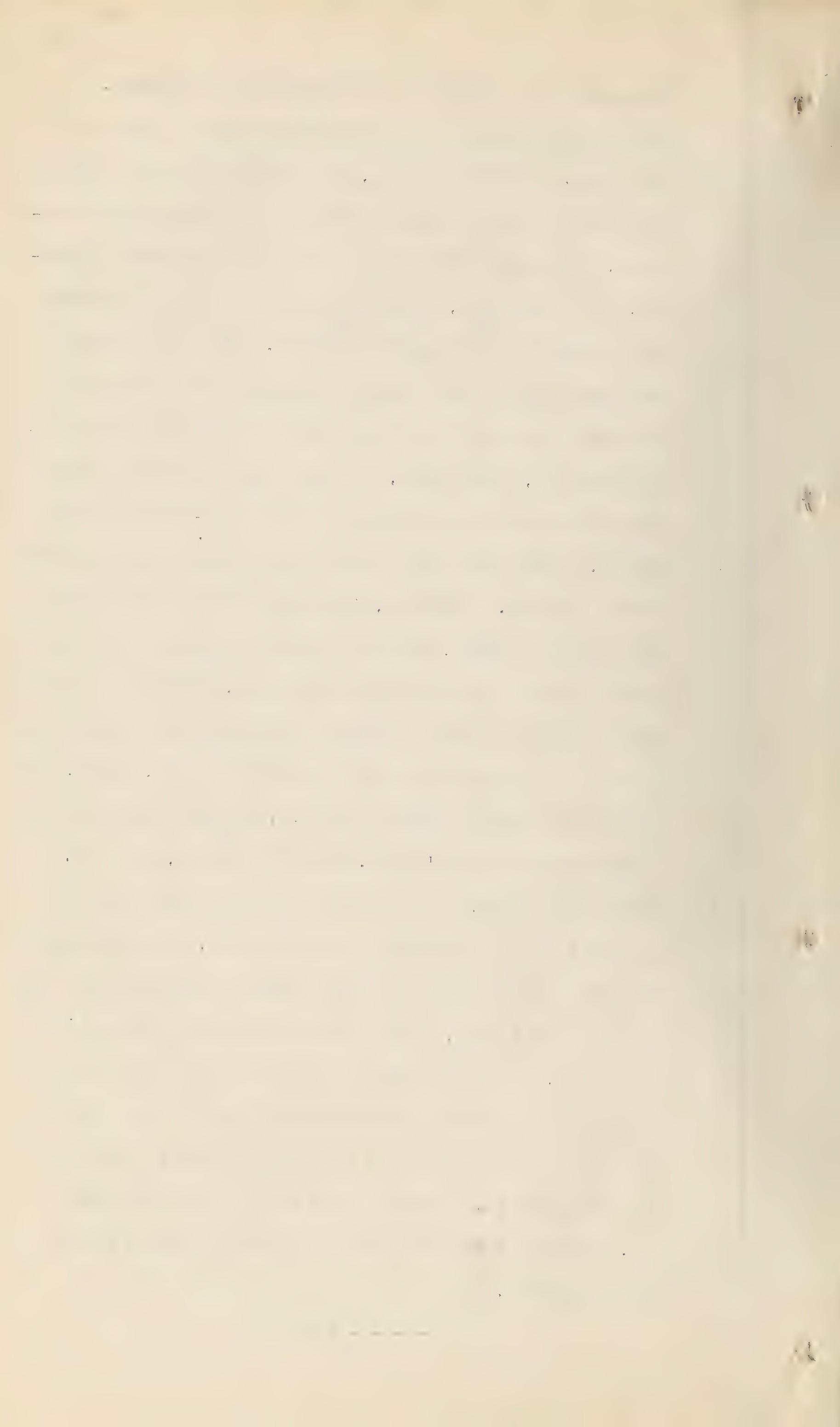
principally to Government painting; a conspicuous member of the Master Painters' Association & fervid advocate of their rights; a gentleman who was proud to tell me that while a paid employe of the department he always stood up for "the welfare of the trade" and by way of illus-
tration told of how he over-ruled Mr. ~~Belfrey~~, the Ar-
chitect of the Department, on proposed reductions---"I
wouldn't allow it", as he puts it---; who was so inter-
ested in painting that after his resignation he still
occasionally acted as the Department's painting inspector
without payment, and swears that as inspector of painting
on the High School of Commerce, and knowing that it would
cost £150. to put the eastern windows in proper condition,
and when Phinnemore was willing to repair them, said "Don't
touch them; I won't ask you to touch them", this Mr.
John Stewart was the man of all others selected by the
Department as general inspector of painting. Mr. Stewart
says that in the end he convinced Mr. Belfrey. Perhaps
so; if so he made a stronger case with Mr. Belfrey than
he did with me.

Mr. Phinnemore mentioned that his conduct was assailed and his reputation as a contractor suffered in the Winchester investigation. It is argued that whatever the reputation of a contractor may be or however badly he may have acted in previous contracts, the contract must be awarded on the lowest tender. Assuming without admitting that the contract had to be let to Mr. Phin-
nemore, a contractor under suspicion, as he says, it



emphasizes the necessity for exceptional vigilance. I can find no evidence of vigilance or ordinary care in this case. On the contrary, the methods pursued were about as lax and unbusinesslike as it is possible to conceive. Stewart should never have been appointed Inspector. His character, fraternal associations and attitude were opposed to the public interest. The Department knew him. He had been in its employment for eighteen or twenty years and he had a lot of newspaper notoriety. On occasions, as he says, he came very prominently under the notice of the Department in the Breen-Stewart affair and Mr. Bishop reported to the Committee as to some phases of the dispute. Bachman, if he appreciated the duties of a clerk of works, made no pretence that he took more than a casual interest in the painting. Neither of them kept a record of their doings or made written reports and reports or memoranda were not asked for by Mr. Waste. The account was passed without the O.K. of the inspector and without this Bachman's O.K. was of no value, as Mr. Waste would know. It is only fair to say that in this matter I see no ground for censuring Mr. Shimamore. As far as I know except as to the matter complained of his work was well done. There is no evidence of dishonest intention. He quite frankly admitted that the east windows were not left in good condition but says he did not know of it until the complaint was made. I accept his explanation. I saw no reason to disbelieve him. Dr. Caroline Brown rendered an important public service in the matter.

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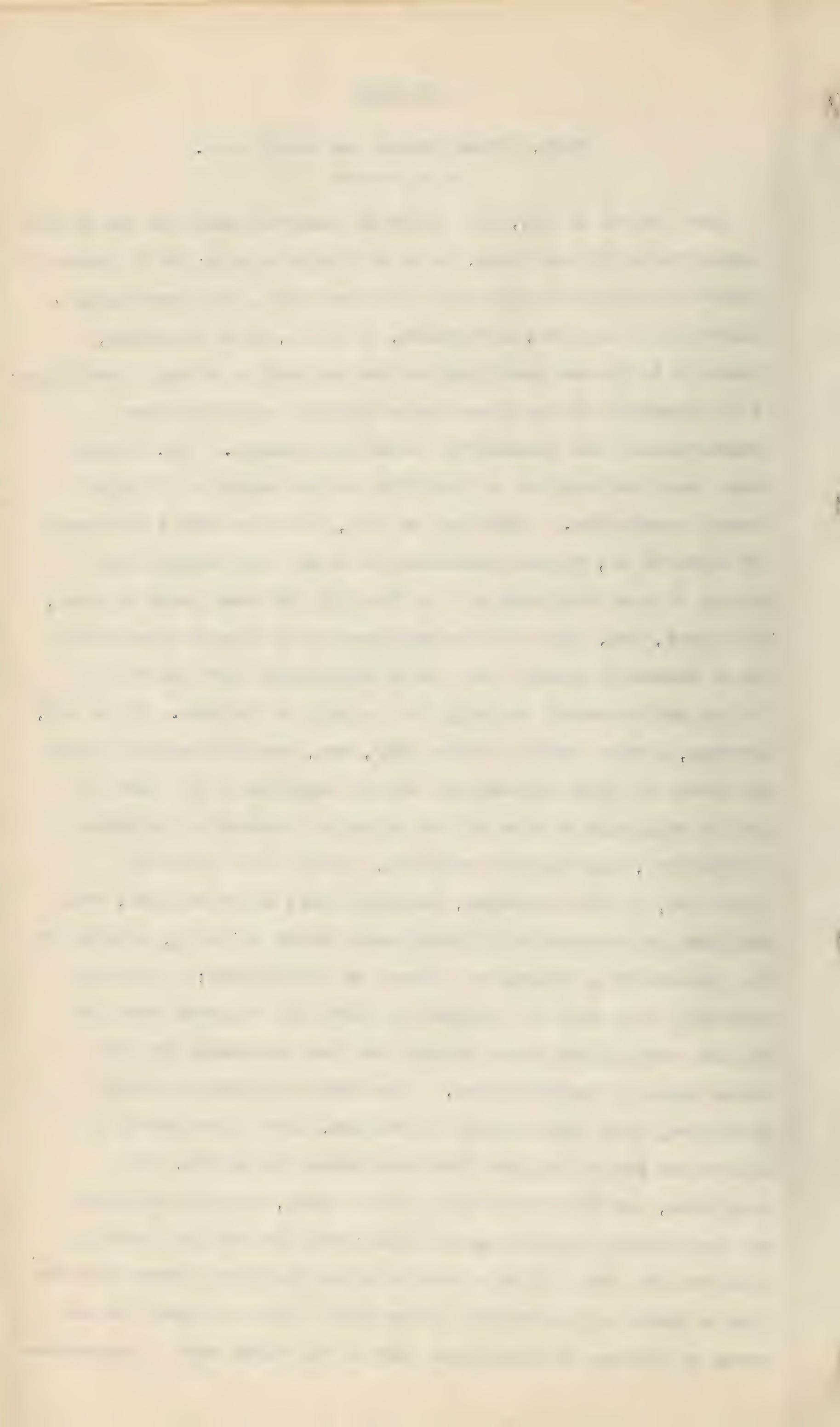


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CUT STONE

Park, Givens Street and Regal Road.

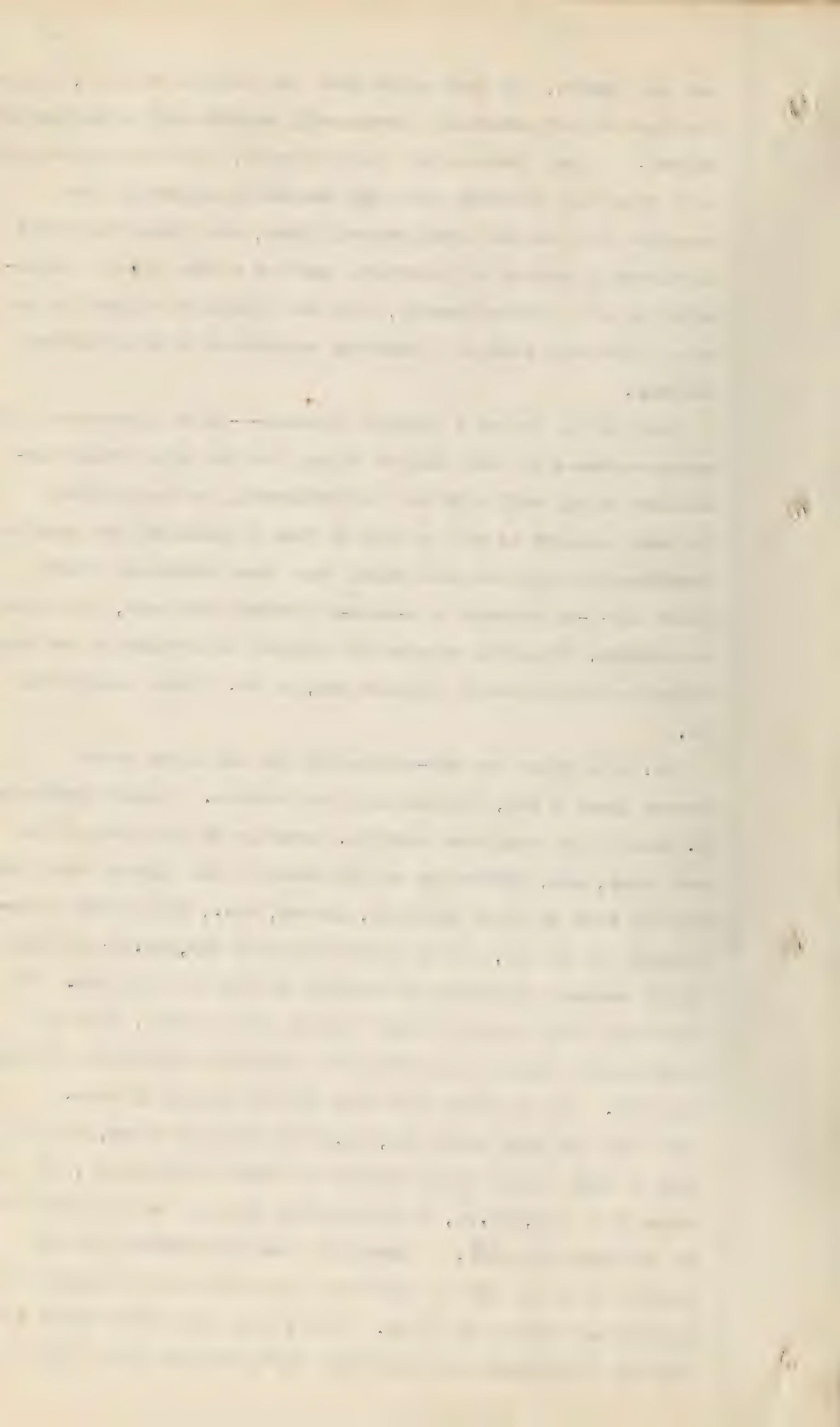
Park School is not, as I inferred from the name and the lavish expenditure for cut stone, in or adjoining a park; it is between S Sumach and Sackville Streets in the east end, in a peculiarly undesirable location, surrounded, as it is, by a congested, cheapily built and poorly maintained collection of small dwellings; a neighborhood of the class where sanitary conditions are statistically and necessarily below the average. Mr. Bishop says that its location is justified as the center of a large school population. Assuming as I do, that the school is where it ought to be, it was reasonable to erect a building large enough to meet the needs of the locality for some years to come, and right, too, that all the requirements of school life should be as carefully thought out and as adequately provided for as in any public school building in the city of Toronto. It is not, however, a show section of the City, and, whatever may be argued in favour of lofty columns and carved capitals in the case of public buildings in view of the principal avenues and squares of the City, all that was required, and all that could be justified, in this instance, was a dignified, unpretentious, well designed and substantially constructed brick building, externally and internally a triumph of fitness or suitability; a building that will look well and adequately serve its purposes when the fad for meaningless stone patches has been succeeded by some other equally senseless fad. The Duke of Connaught School in Ottawa, Queen Mary School in Chatham, River View School in London and the Collegiate Institute School in Barrie, just completed, are illustrations of what I mean, and of a moderate and reasonable expenditure for stone; and the designs recently selected for the John Ross Robertson and Glenholme Avenue Schools from a number of competitive plans prove that an outlay for cut stone of fifteen or twenty per cent of the total cost is unnecess-



ary and unwise, and that aside from the question of cost, is not the best way of securing a permanently satisfactory architectural effect. I say "permanently satisfactory", for it is unquestionably true that although buildings radically departing from accepted and settled architectural lines, and presenting sharp contrasts in colour or otherwise, may for a time elicit the admiration of a limited number, they are likely to offend the eye of all who have even an elementary conception of architectural harmony.

Park School is not a notable instance---if an instance at all---~~of an instance~~ of this kind of thing, for the brown stone harmonizes fairly well with the red brickwork, but Park School in some respects as well as any of them illustrates the complete breakdown of a system that should have been discarded twenty years ago---an attempt to ~~continue~~ combine architect, land agent, accountant, financial manager and general supervisor in one man---withal an exceptionally capable man, as Mr. Bishop undoubtedly is.

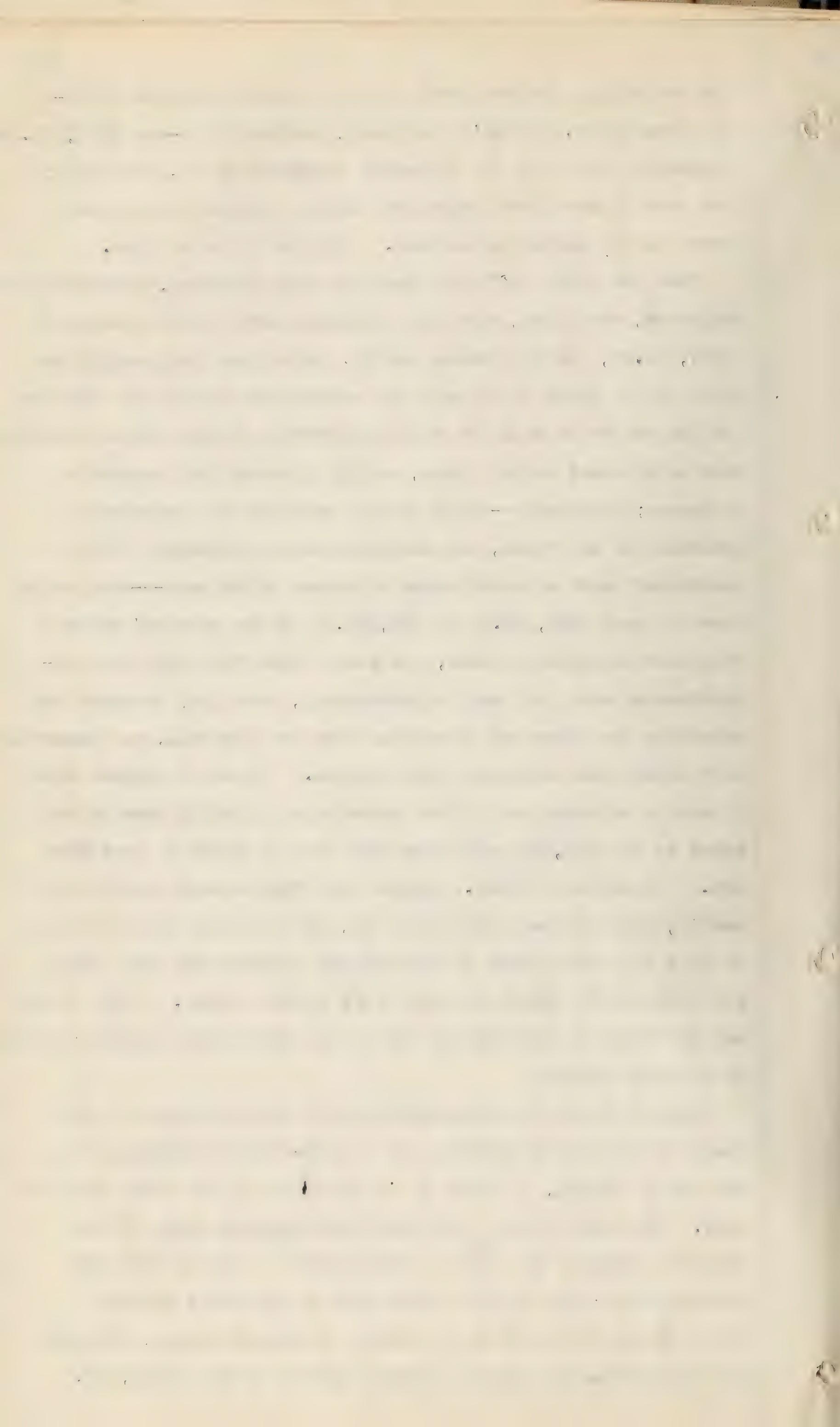
Mr. John Vokes was sub-contractor for cut stone under Messrs Lucas & Son, the masonry contractors. Before tendering, H. Lucas & Son conferred with Mr. Vokes as to the cost of the cut stone, and, estimating on the basis of the figures obtained and the cost of other material, labour, etc., and adding a percentage for profit, put in their tender at \$93,363.00; and the entire masonry contract was awarded to them at that sum. In arriving at the total of their tender, Lucas & Son, like all contractors, added a percentage for profit of from ten to twenty per cent. It is never less than 10% and generally more. Lucas and Son paid Vokes \$41,824.00 for the cut stone, add 10% only to this amount and it brings the cost to the Board, for cut stone up to \$46,006.24, or practically one half of the total of the masonry contract. "Masonry" includes excavations and everything in the way of brick and stone from the footings of the foundation walls to the roof. There were large sums added to meet the "unforeseen and unprovided for", but the total cost of



the building , the sum total of the various contracts let--- as shown by Mr. Bishop's statement, exhibit 223---was \$197,721.83. Comparing this with the statement furnished by Mr. Wilkinson, and what I know about extras and losses, I think the original cost did not amount to so much. But let it go at that.

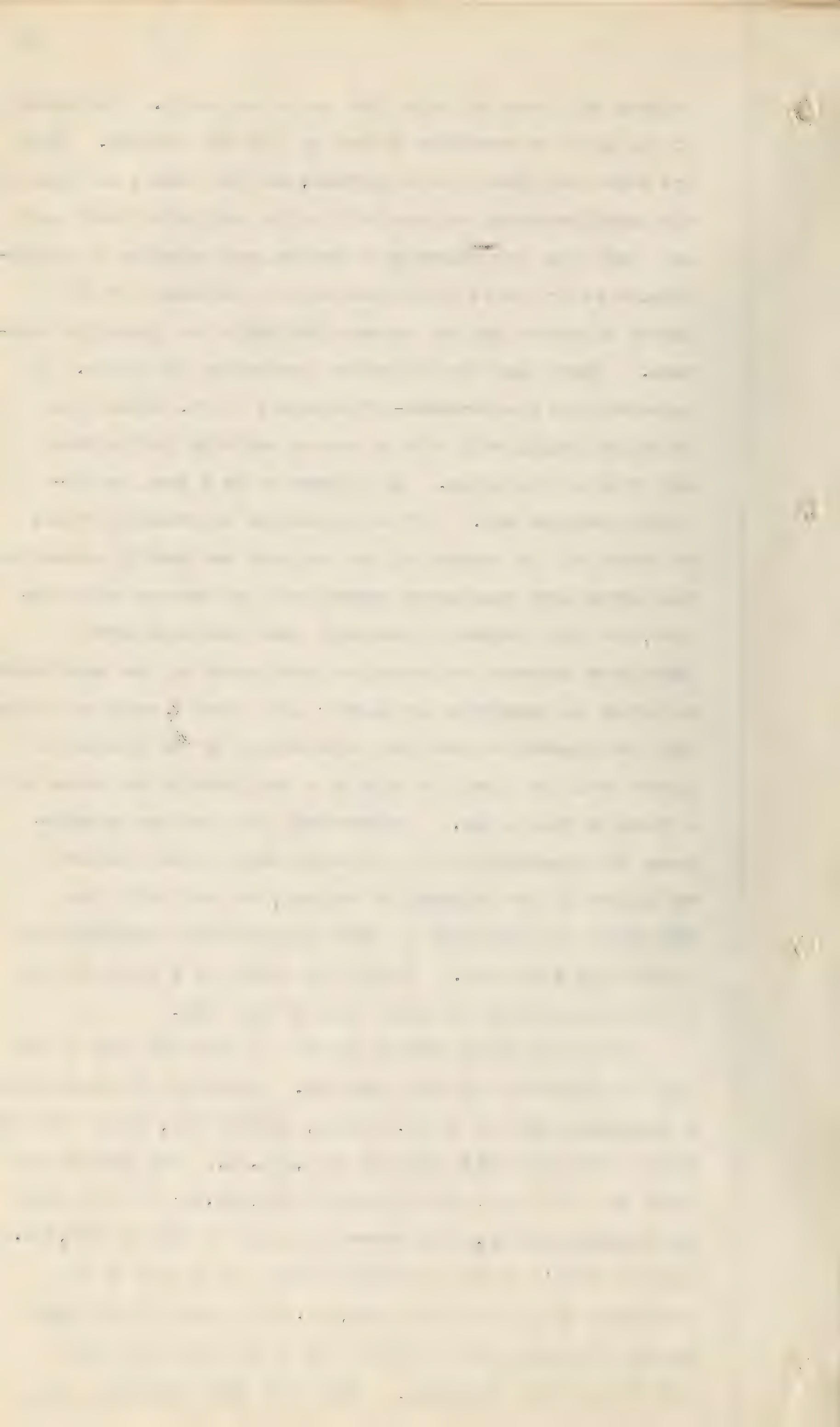
When the plans and specifications were prepared, submitted and approved, and later, when the contracts were let at a total of \$197,721.83, did Mr. Bishop and Mr. Waste know that nearly one half of the total to be paid for masonry, and nearly one quarter of the sum to be paid for the construction of the entire building was to be spent on cut stone, mainly intended for decorative purposes; and that,---still using a moderate and reasonable quantity of cut stone, and making an ample allowance for the additional cost of substituted brick and brick work---they could save at least \$20,000.00 or \$30,000.00 of the peoples' money ? They were expected to know, and should know the total and proportionate cost, at least approximately, when they prepared and submitted the plans and specifications for approval, and emphatically before the contracts were awarded. It may be argued that I have no evidence as to what percentage of profit Lucas & Son added to the \$41,824 paid Vokes and that it might be less than 10%. It matters little. Assume that they counted nothing for profit, take the bare cost as it is, and the cost for cut stone is more than two fifths of the masonry contract and more than one fifth of the total contract cost of the school. This in no way disturbes my estimate of the amount improperly expended; there is an ample margin.

I cannot shift this responsibility to the shoulders of the Board or Property Committee, nor upon Ex-Trustee Hodgson, who now out of office, is eager to be the ~~Atlas~~ of the whole Department. He knew just as much about the relative cost at the time the contract was let as I did before I entered upon the investigation; and at all events when he shoulders his own little World of relatives in receipt of school moneys, financed and distributed by himself, while a member of the Board, Mr.



Hodgson will have as big a load as he can carry. The members of the Board or committee do not go into the details. They are shown the Elevation or picture, and the plans, and possibly the specifications, and are told of the estimated total cost. As a body they are ~~not~~ thinking of totals, not relative or proportionate cost; how it is divided up, for instance, or the amount allocated for cut stone or available for finishing hardware. There might be individual exceptions of course. It happened that the trusteeship of Mr. Miles Vokes coincided fairly well with an era of activity in the Stone Age of School building. He appears to be a keen, quick-witted business man. If he noticed, as he probably would, by reason of his occupation, and business and family connections, this strikingly unbalanced expenditure for masonry construction, and the constantly recurring loss resulting from indefinite hardware contracts (as interpreted by the Department), he voiced no opposition or alarm; and indeed I would not expect that the Trustee who was not to be halted by the Winchester Report would be likely to balk at a few yards of cut stone or a gross of Yale locks. Fortunately the reckless extravagance for ornamentation in cut stone which marks this era was halted by the outbreak of the war, but not until the Department was committed to other unjustifiable expenditures of the same character. It will be enough if I refer to one or two instances on the other side of the City.

First, the Givens Street School : I have not seen it and I am not familiar with the locality. There are 31 class rooms. A memorandum, put in by Mr. Bishop, exhibit 223, shows that the total of the contracts let was \$172,561.23. The masonry contract was let to Mr. Albert Webb at \$85,900.00; the cut stone was furnished by Mr. John Vokes at a cost to Webb of \$42,600.00, and with Webb's profit percentage added, at a cost to the Department of not less than \$46,860.00, or $54\frac{1}{2}\%$ of the total masonry contract, and more than 27% of the total contract cost of the whole building. There was \$750 added for extra

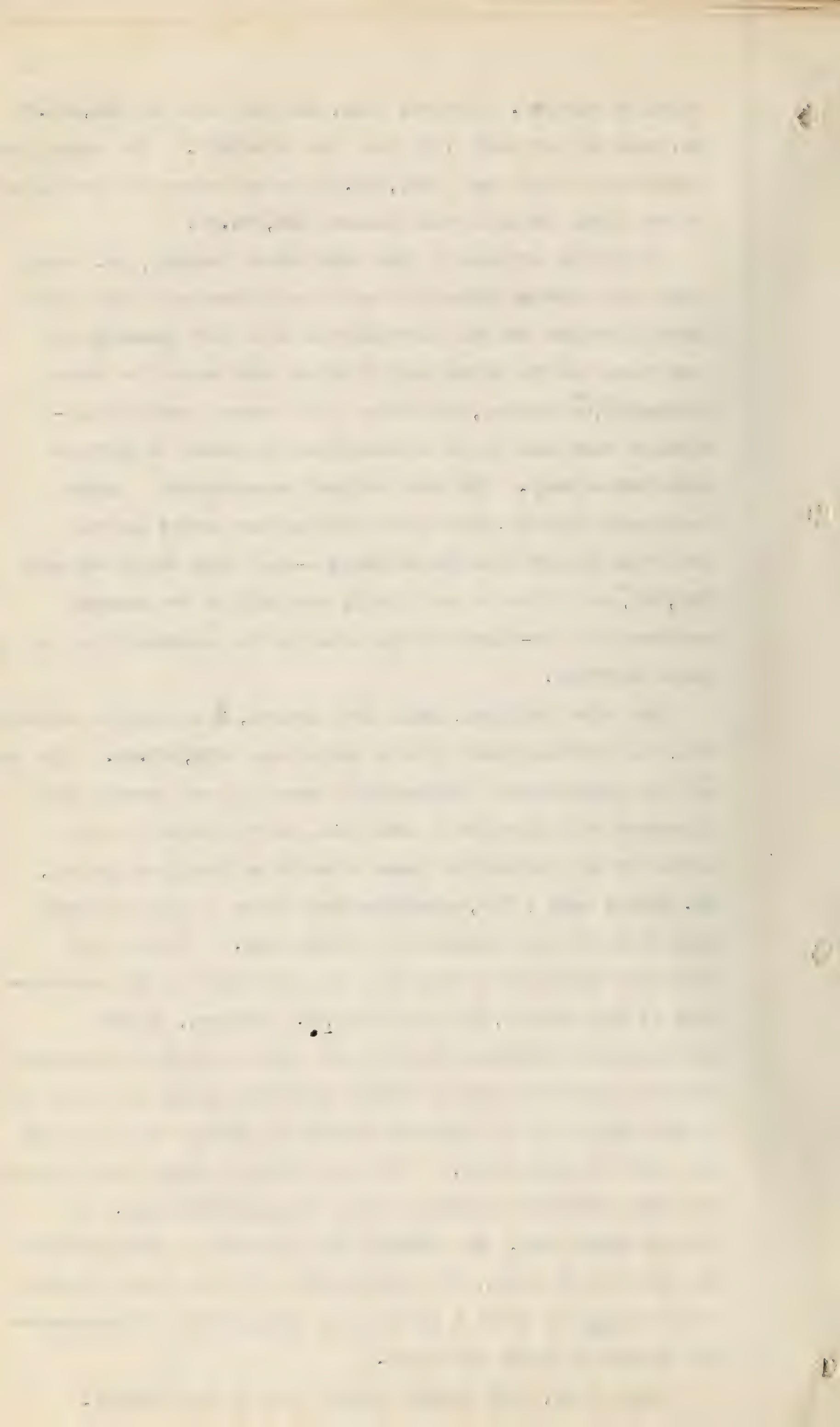


depth of masonry. Include this, and the total is \$86,650.00 Mr. Webb on oath said : "It was just trimming". The expenditure works out in this way : \$46,860.00 for cut stone and the balance of the total, for all other masonry, \$39,790.00.

In giving evidence in the Park School inquiry, Mr. Lucas said that perhaps 10% of the walls were faced with cut stone. Make allowance for the incorporation of a fair quantity of cut stone and the extra cost of brick work where the stone surfacing ^{would} be omitted, and there is no escape from the conclusion that here again thousands and thousands of dollars were thrown away. Is this rational expenditure? Assume here again that Mr. Webb added nothing for profit on the cut stone he put into the building---what John Vokes was paid, \$42,600, cut stone is practically one half of the masonry contract and one-fourth of the total of the contracts for the whole building.

One other building, Regal Road School. According to exhibit 223, the contract cost of this school was \$206,955.85. This is all the departmental information I have ^{to} cost, except that in answer to a question I asked him, as to whether it is a better or more expensive class of building than Park School, Mr. Bishop said : "No, excepting that there is part of Regal Road which is more expensive in stone work." He had just said that "there was a very free use of stone" in the construction of Park School, and there was, for instance, in the Administration Building the high cut stone base is only carried along the front and ten or twelve feet back along each side, but in Park School it is continued around the entire main building and into the back yards. I did not think to look, but I presume the same method was carried out in the superstructure. I visited Regal Road. It presents the contrasts I have referred to, and what is worse, the introduction of stone where it does not even seem to serve a purpose, an undisguised and unsuccessful attempt to adorn the walls.

Regal Road, like Givens Street, is a 31 room school.



Judging by what I saw in visiting this and Park School, and Mr. Bishop's statement, it is safe to infer that the relative cost of cut stone in this case was at least as great as in the case of the Givens School, or in the neighbourhood of \$50,000. The result is that of the total contract cost of the three buildings, \$577,238.91, about \$135,000.00 was spent on cut stone. This without taking any account of percentage profits for the mason contractors, and a profit, higher or lower, on all that is covered by the contract is ^{universal} ~~unusual~~. It does not greatly matter, however, whether it was \$135,000.00 or \$150,000.00; neither sum, ~~6 million~~ nor anything approaching either can be justified.

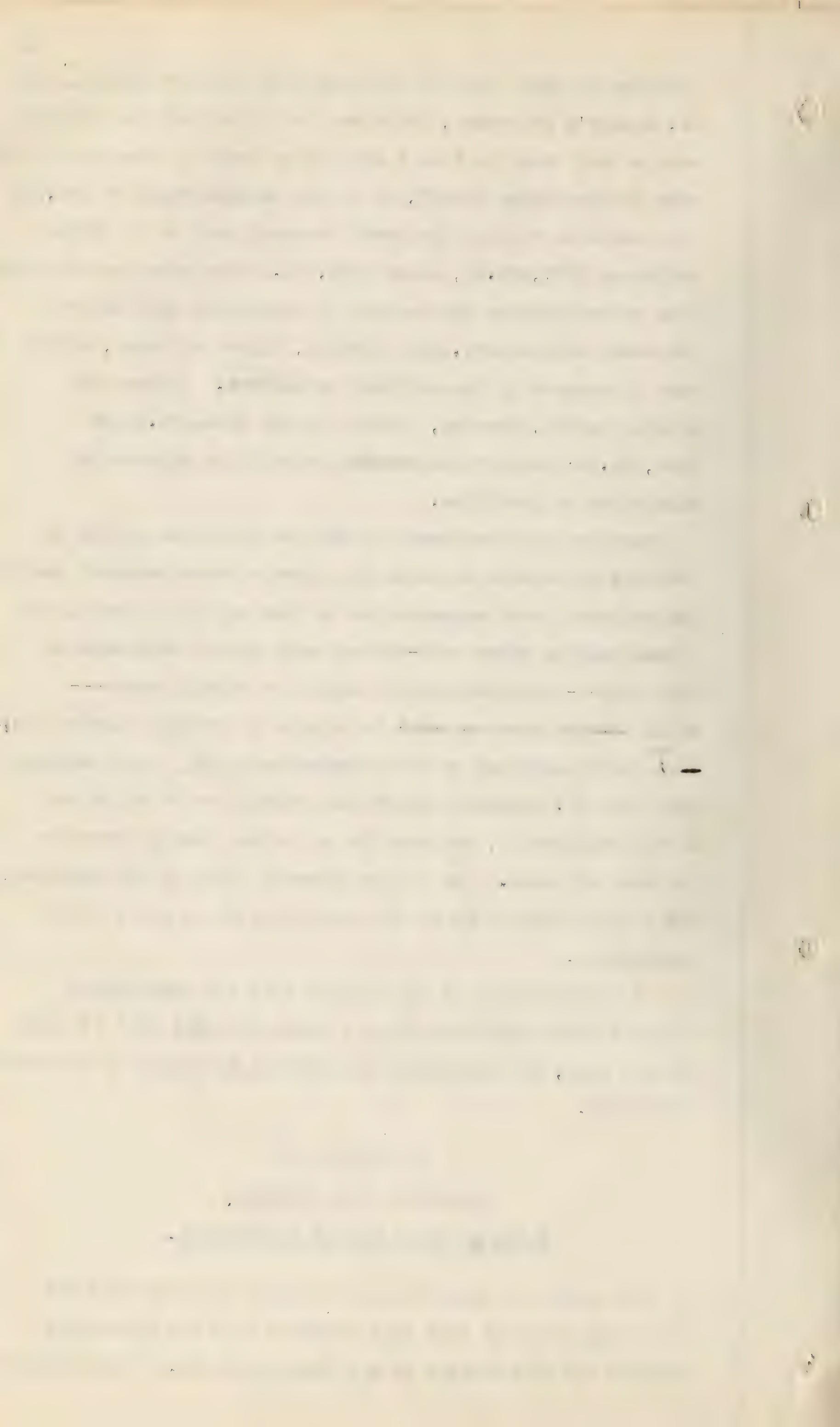
There were no architects or skilled witnesses called to instruct or educate me along the lines of architectural beauty. The opinion I have expressed as to this may be at fault, and I know that in sheer self-defence many costly buildings in this city---including quite a number of school houses---would ~~testify that and will~~ be arrayed in evidence against me. To avoid argument on this debateable point, I will concede that like Mr. Bachman's paint the profuse use of cut stone is "no detriment", but this is as far as I can go even for the sake of peace. As to the financial side of the question, there is no dispute as to the facts, and there has been no explanation.

I am definitely of the opinion that the expenditure on these three buildings for cut stone exceeded what it ought to have been, or justifiable expenditure, by scores of thousands of dollars.

INSPECTION AND RECORDS.

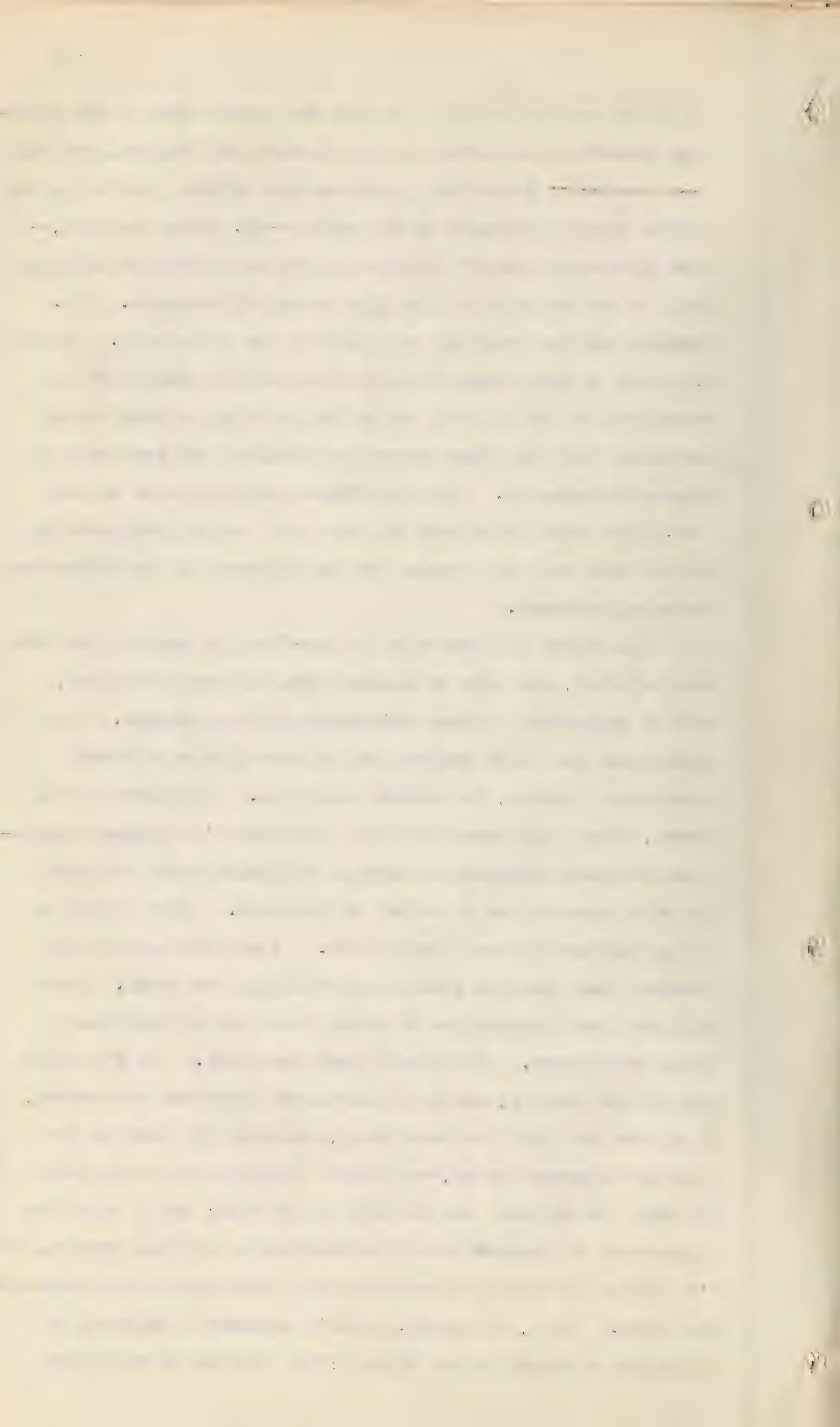
Still at the mercy of contractors.

The matter of inspection and records of inspection was very fully enquired into in connection with the Phinnemore contract and the charges of Dr. Caroline Brown. The evidence

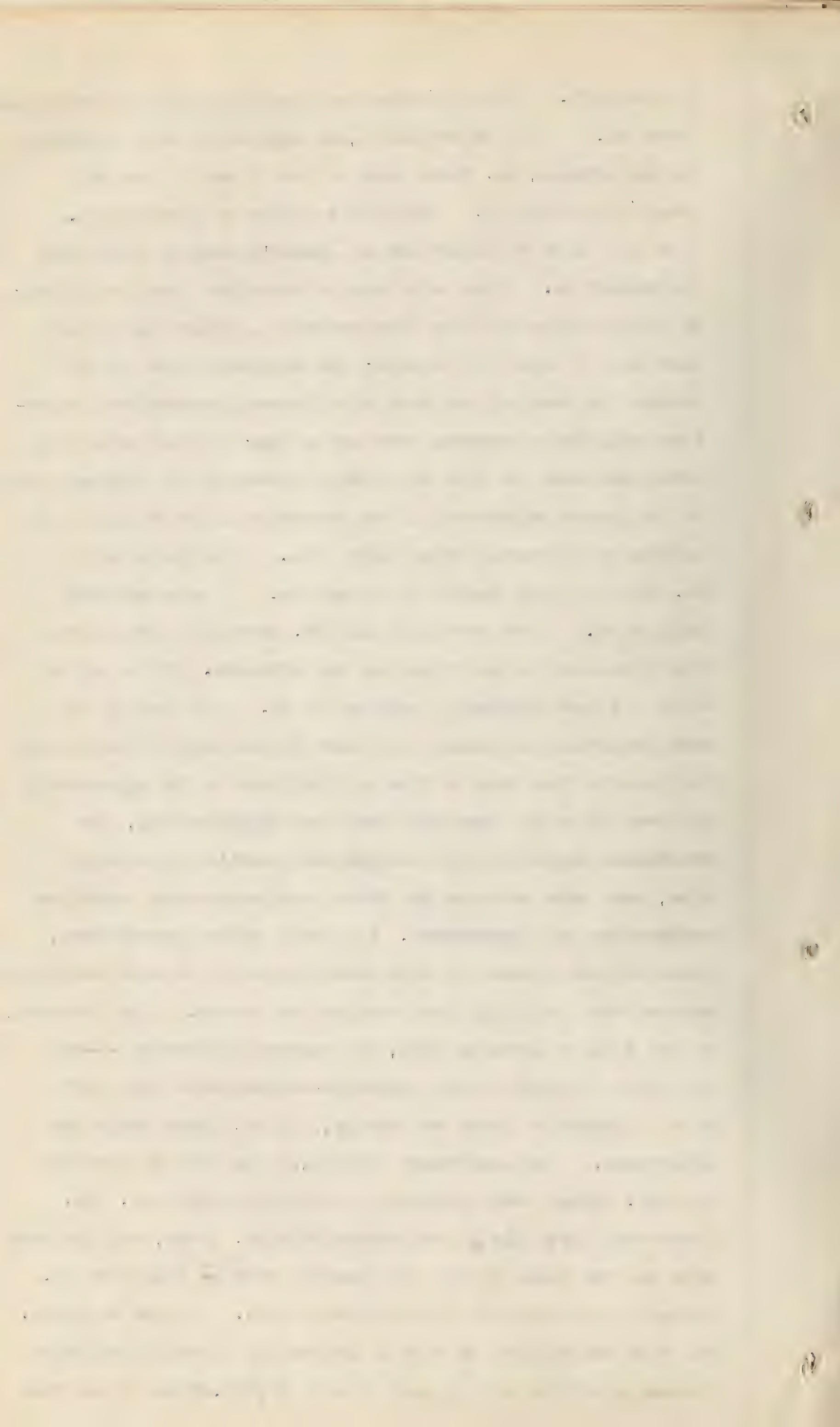


is quite conclusive that not only was supervision of the painting shamefully neglected by both Steward and Bachman, but that ~~the thought of~~ concurrent memoranda and written reports to the office were not thought of by anyone---Mr. Waste included,-- and this condition of things is not to be limited as applying only to the painting of the High School of Commerce. Mr. Bachman had the original oversight of the whole work. It was his duty to keep track of every trade, and his inability to show that he did his duty as to the painting is very strong evidence that his other general supervision was very much of the same character. The significant point however is that Mr. Waste does not appear to have been looking for anything better than what is revealed by the evidence on the Phinnemore painting contract.

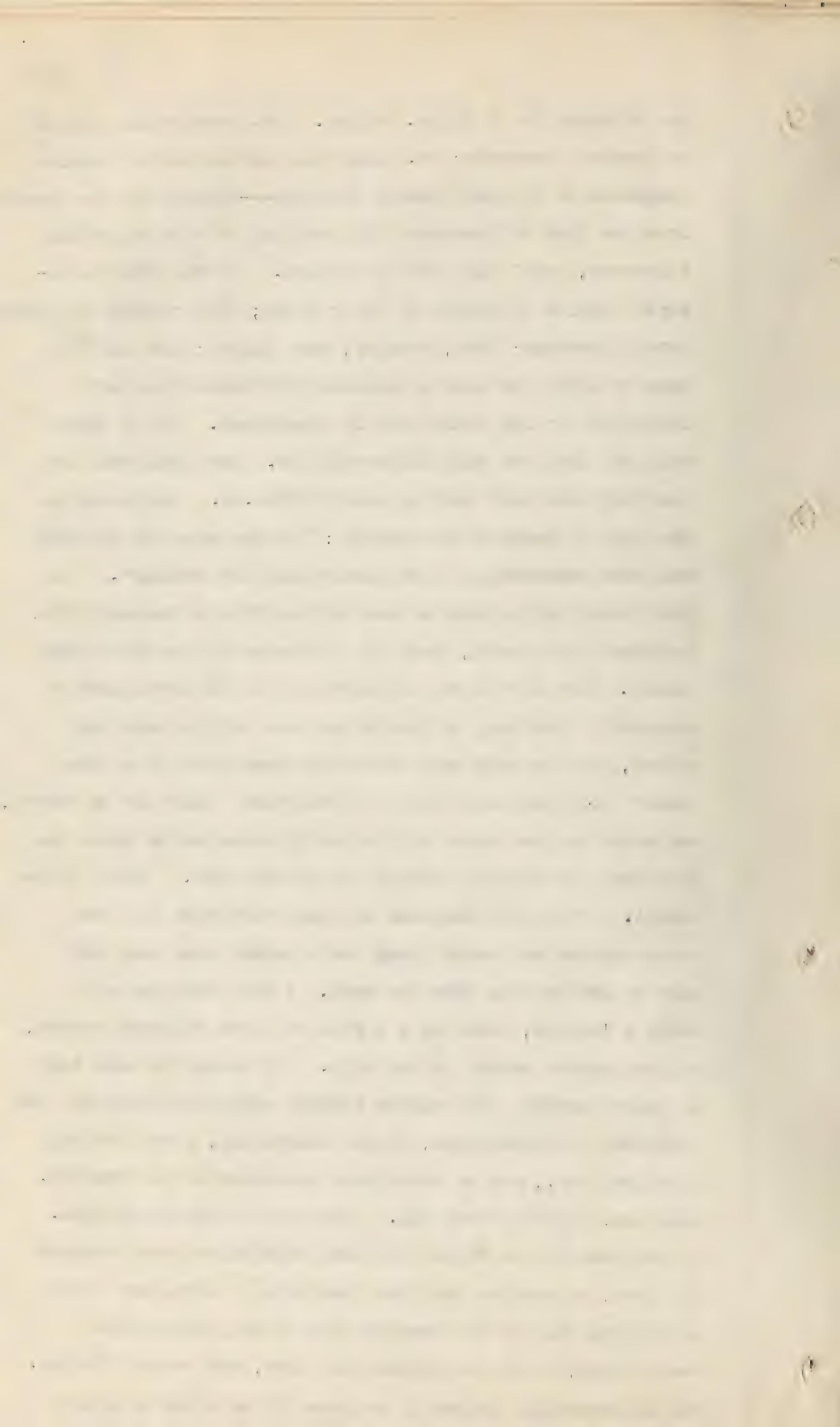
The object of inspection is two-fold: to secure good work and material, and both in keeping with the specifications; and to guarantee a proper adjustment of the accounts. In some cases the first purpose may be accomplished without concurrent records, the second cannot be. Vigilance in all cases, extra vigilance where the contractor's business reputation has been impugned, and extreme vigilance where the work is being executed as an extra, is demanded. This brings me to an incident and an illustration. I am dealing more with records, than the mere question of visiting the works. There may have been inspections of which there are no records, I think there were. But that's just the point. On the first day of the hearing, and with monotonous frequency afterwards, I pointed out that the best proof,---generally speaking the only satisfactory proof,--of proper supervision is the record of what the official saw and did at the time; and I urged the Department to produce everything available for this purpose, and to produce it at any time during the investigation, as it could be found. Well, during Mr. Waste's argument I happened to interject a remark to the effect :"The trouble is there are



no records". I was surprised at the reply and more surprised later on. Very emphatically, and apparently with confidence in his defence, Mr. Waste told me that I would find full proof in Exhibit 84. (This file refers to Park School.) I am at a loss to understand Mr. Waste's seeming confidence in Exhibit 84. There are three alternative interpretations; He did not know what the file contained, rather he did not know what it does not contain; the Department has not yet grasped the meaning and need of efficient, progressive inspection definitely recorded from day to day; or that carefully noted memoranda on file and always accessible is indispensable to the proper adjustment of the accounts; or he relied on my failure to go through this bulky file. I am quite sure Mr. Waste did not desire to mislead me. I have examined Exhibit 84. I am convinced that Mr. Waste did not go over this file when he was preparing his argument. If he had he would not have pointedly referred to it. But what is far more important, he cannot have been in the habit of examining the reports from time to time as they came to the Department, for even if he had examined them, even superficially, the monotonous repetition of 'nothings,' and practically nothing else, must have arrested Mr. Waste's attention and occasioned explanation and improvement. (To avoid unjust expenditure, there are two classes of work that require to be more carefully watched than anything else, repairs and extras.) For instance, on the 26th of November 1915, the masonry contractor ---not the Clerk of Works or the Inspector---discovered that part of the foundation earth was spongy, and Mr. Lucas wrote the Department. The Department replied, on the 31st of November that Mr. Cooper would arrange it with the contractor. Mr. Cooper was certainly in conference with Mr. Lucas, and the work went on, but there is not one recorded work ^{done} ~~on~~ file from Mr. Cooper in reference to this important work. It was an extra. The work was charged at cost of labour and material, including foreman, plus 20% on all, and it cost \$6,627.00; but I can find



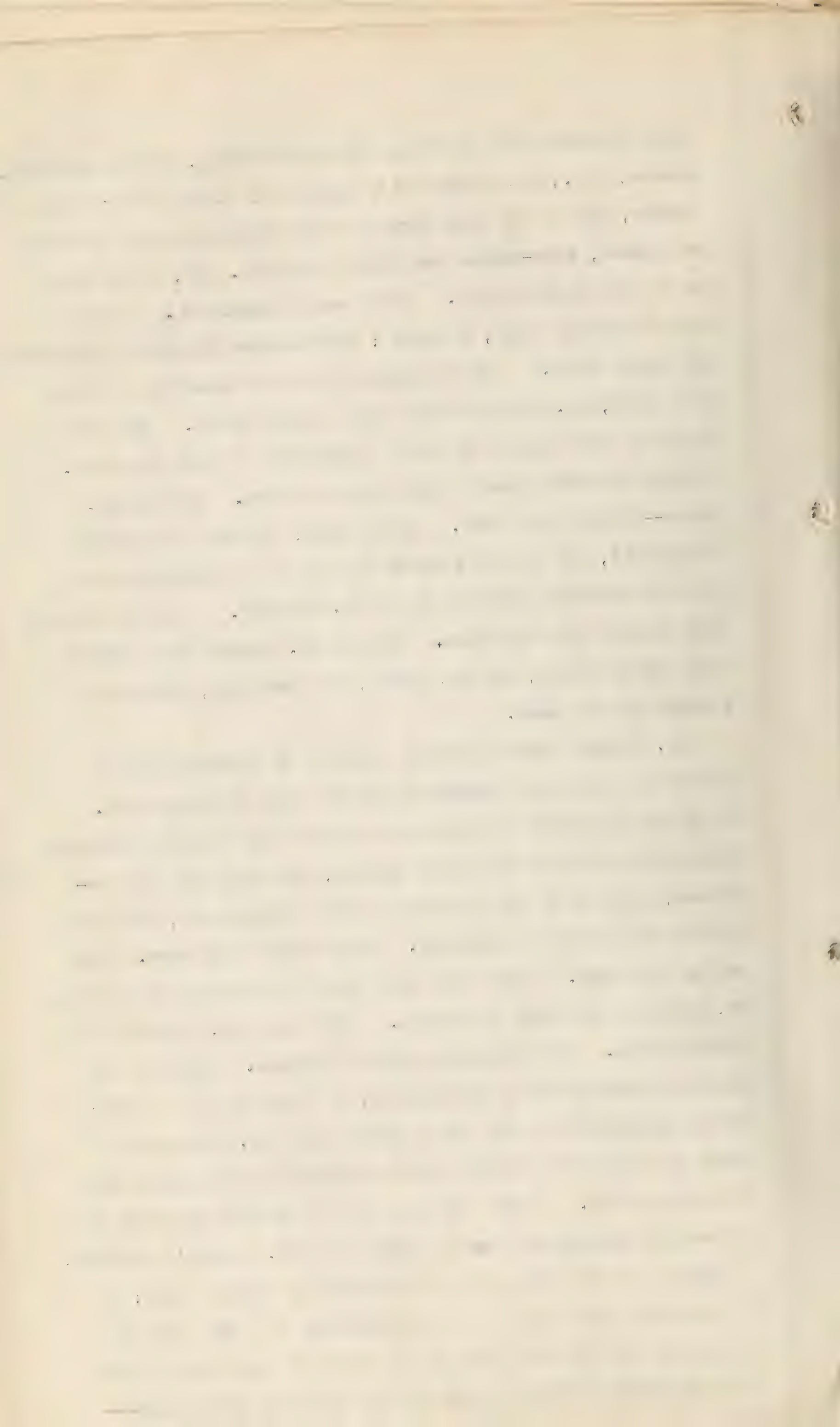
no reference to it by Mr. Cooper. Mr. Cooper was a chief or general inspector; Mr. Newry was the special or regular inspector of the Park School Building---judging by the records--from the 25th of November 1915, the day of this startling discovery, until the 13th of January. On the 25th he reports receipt of copies of floor plans; 26th receipt of other detail drawings; 27th, November, more papers; not one word then or until the 16th of December 1915 about the soft foundation or the extra work it occasioned. It is worth while to find out what information Mr. Newry reported for checking this work costing nearly \$7000.00. Beginning on the 16th of December he reports : "15 men concrete footings and extra excavating, 8 men excavating for footing". In this intelligible fashion down to the 27th of January 1916, he makes his reports, when all reference to the extra work ceases. How is this to be worked out on the settlement of accounts ? How many of the 15 men were skilled and high priced, and how many were unskilled excavators at a lower price? And how many hours did they work? There is no record; and where is the record of the costly extra walls above the footings? It was all charged for as day work. There is no record. There are machines in large factories far more communicative and useful; they would record when each man came on and when he left the work. I have examined all Newry's reports, covering a period of about fourteen months, on the largest school in the city. It cannot be said that he lacked method, his reports display amazing uniformity: for instance, 19 bricklayers, 10 men excavating, 2 men setting, footings, etc., and an occasional reference to the weather. Read one, you have read all. There are three exceptions. On one occasion he notes that some bricklayers were engaged $3\frac{1}{2}$ hours, on another that four men were ^{Engaged for} 2 hours, and lastly he reports that it was rumoured that a boy, playing on scaffolding, after the workmen had left, had broken his leg. For an inspector, generally supposed to be a man in almost



daily dispute over mistakes, bad workmanship, faulty material, delays, etc., Mr. Newry had a singularly placid life; fourteen months, and in all that time not one thing occurred of which an honest, fair-minded man could complain. No, I was about to do him an injustice. There was a complaint. On the 6th of January 1916, he said : "Contractor has never straightened copper drip." It is almost a pity to break the record on a \$200,000.00 building for "one copper drip". And the trend of the reports of other inspectors is much the same. I loose patience when I read these reports. Not so Mr. Waste---if he read them. As he said: "We are not easily disturbed", and to him perhaps it was only evidence of the "perfect harmony" referred to by Mr. Doughty. I am of opinion that he did not read them. He and Mr. Cooper had a little talk occasionally, and Mr. Waste, as a ~~fore~~time, filed the results in his head.

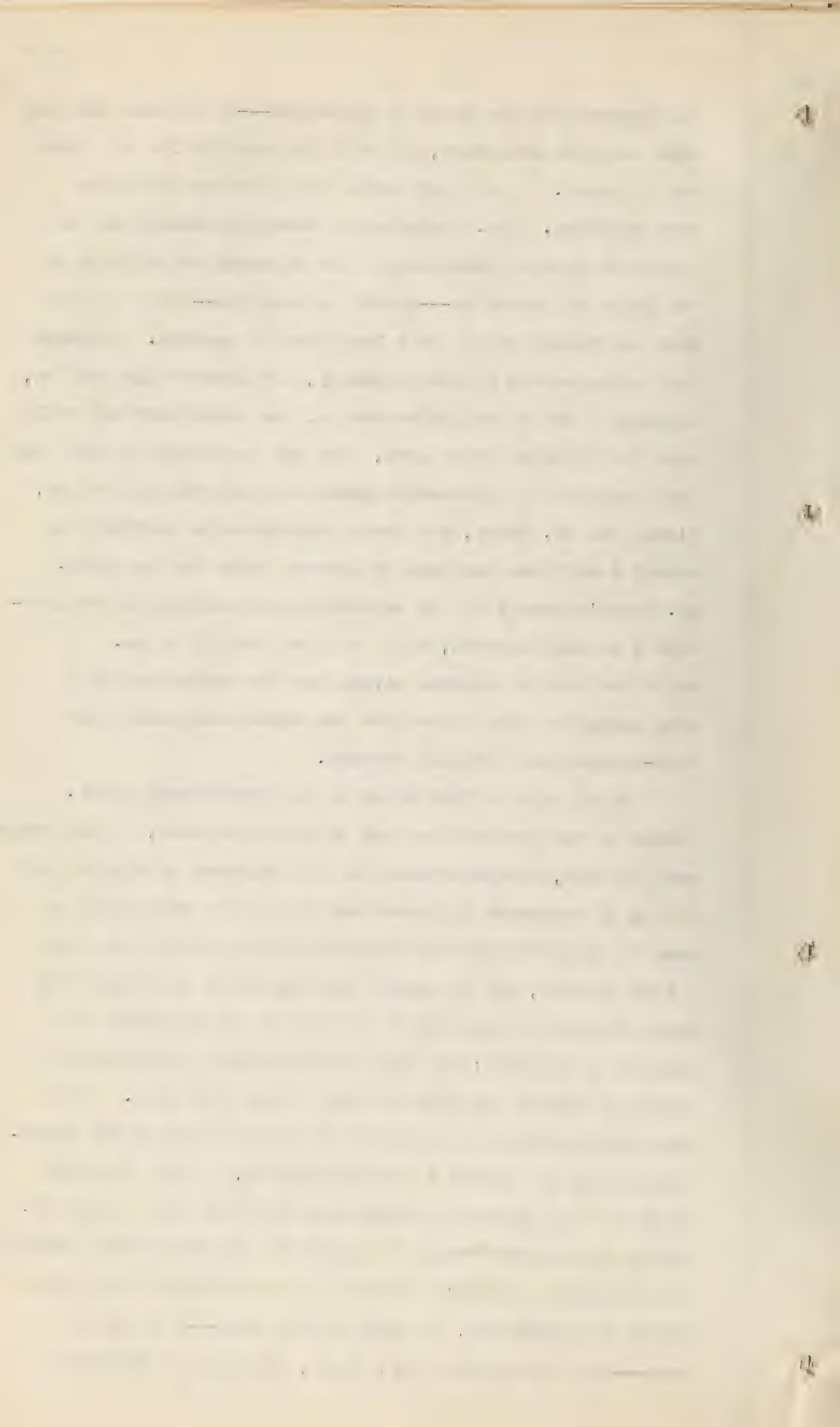
Mr. Bishop issued circular letters of instructions to clerks of works and inspectors on the 14th of March 1914. It is not necessary to consider whether they were sufficiently definite or touched the vital points, for they were not enforced, judging by the evidence I have listened to, and such records as have been produced. They never took root. Like master like man. There may have been a temptation to emulate Mr. Waste in triumphs of memory. This same Mr. Cooper is an illustration. He discarded regular methods. Carried the public records about in his pocket, at times at all events; but unfortunately he had not a memory like Mr. Waste, and could not tell where he had put a document he was going over 48 hours before. This led to a lot of trouble and left an unpleasant impression upon my mind as to Mr. Cooper's candour.

Almost at the close of his argument Mr. Waste said : "I do not think that I am at all egotistical if I say that at the moment and for any time in the last 15 years that I have more knowledge of the details of the Building department---



the property of the Board of Education---in my head than any other man will ever have, and will be possible for any other man to have". I will not pursue the question of future possibilities. Mr. Waste has an excellent memory and an extensive general knowledge of the property and affairs of the Board of Education---useful information--which it will take any successor of his a long time to acquire. Perhaps the reference was a little unhappy, but however this may be, although I had to criticise acts of the Department and will have to criticise other acts, I am not insensible to the fact that the fund of information gradually acquired by both Mr. Bishop and Mr. Waste, and their comprehensive knowledge of school conditions has been of immense value to the Board. Mr. Waste's memory is not necessarily an element in the question I am dealing with, and I am glad that it is so. I would hesitate to censure anyone for the possession of a good memory so long as he does not substitute memory for book-keeping and official records.

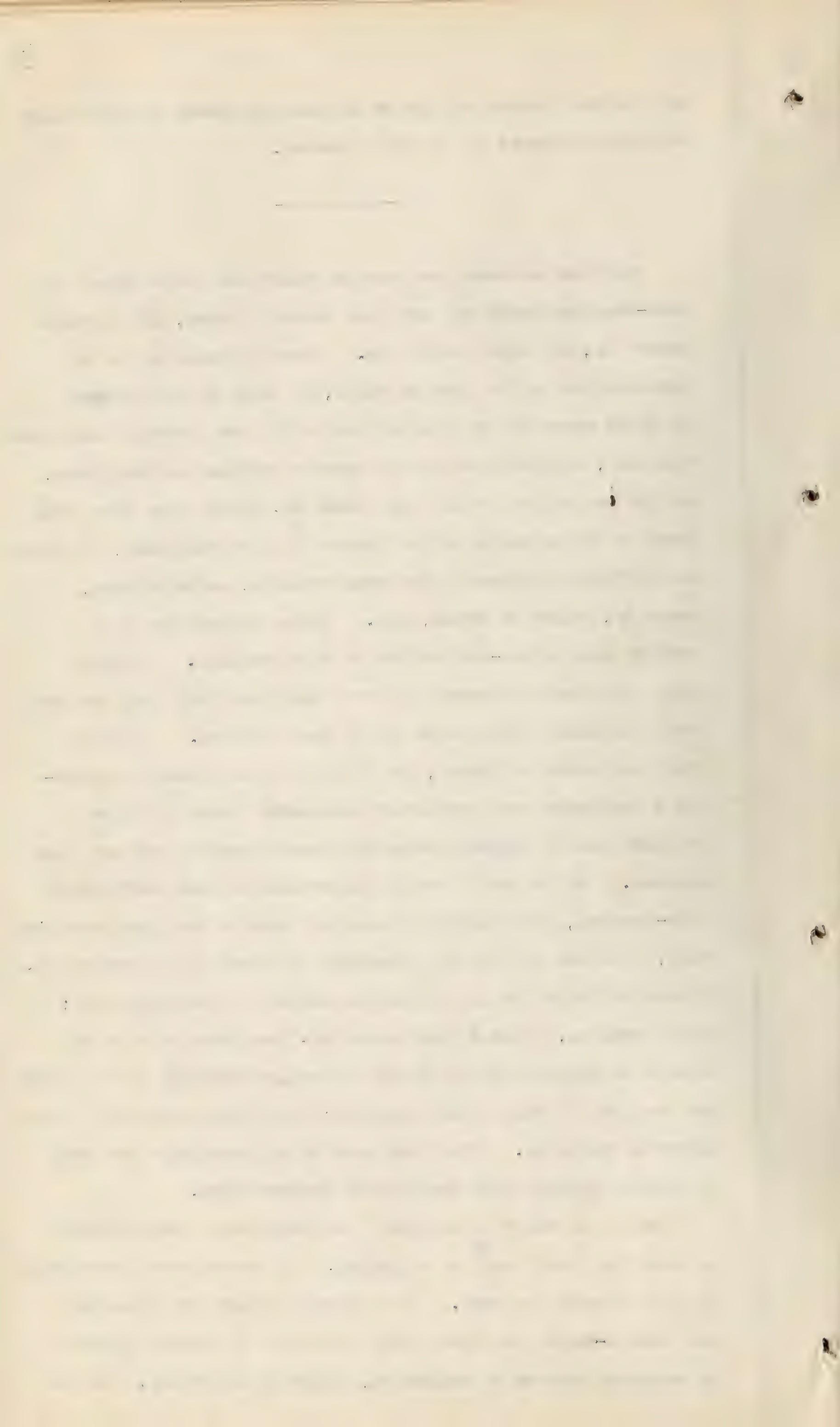
I am of opinion that prior to the appointment of Mr. Bishop to the absolute control of the Department, in the early part of 1914, the Department had not enforced or adopted any system of connected or concurrent inspection sufficient to keep it in touch with the various building operations from time to time, and to enable the Department to efficiently guard the public interest in the matter of settlement and payment of accounts; and that no substantial improvement or change of method has been effected since that time. That the method pursued has resulted in serious loss to the Board. That during the period I am referring to, in part no doubt owing to the incessant demands upon his time and energy, Mr. Bishop allowed the scheme or policy of the Department, including the supremely important matter of the appointment and supervision of Caretakers, to drift pretty much---I think too much---into the hands of Mr. Waste, and that an immediate



and radical change of system of keeping track of the doings of the Department is urgently needed.

The line between the outside staff and the clerical or book-keeping staff has not been clearly drawn, and perhaps cannot be, or ought not to be. There appears to be no organization of the inside staff, no step by step method by which accounts or transactions will pass through appointed channels, be certified by the proper parties as they move, and to insure that when they reach Mr. Waste they have been found to be accurate having regard to the contracts, if there are definite contracts, the measurements, calculations, quantity, value or price, etc. There appears to be a decided lack of co-ordination in this respect. I would judge from such witnesses as were examined that they had not been definitely instructed as to their duties. I judge from the verbal evidence, the difficulty at times in locating & documents and irrelevant documents found in files produced, that a proper system of classification has not been adopted. As to what I would understand as more definitely book-keeping, the strictly financial side of the Department's work, I am not at all in a position to speak of it generally. It was not taken up as a specific matter of investigation; if it had been, I would have asked Mr. Dennison to have an expert to examine the books and report, as without this I would not be able to form a safe opinion; the simple matters I could probably judge of. What has come to my knowledge has been in making inquiry into particular transactions.

One thing was very notable: the Department never seemed to know the total cost of anything. It was almost invariably: it cost "about" so much. In a simple thing like planking two school-yards the total cost could not be stated without an enormous amount of searching, figuring and delay. He did

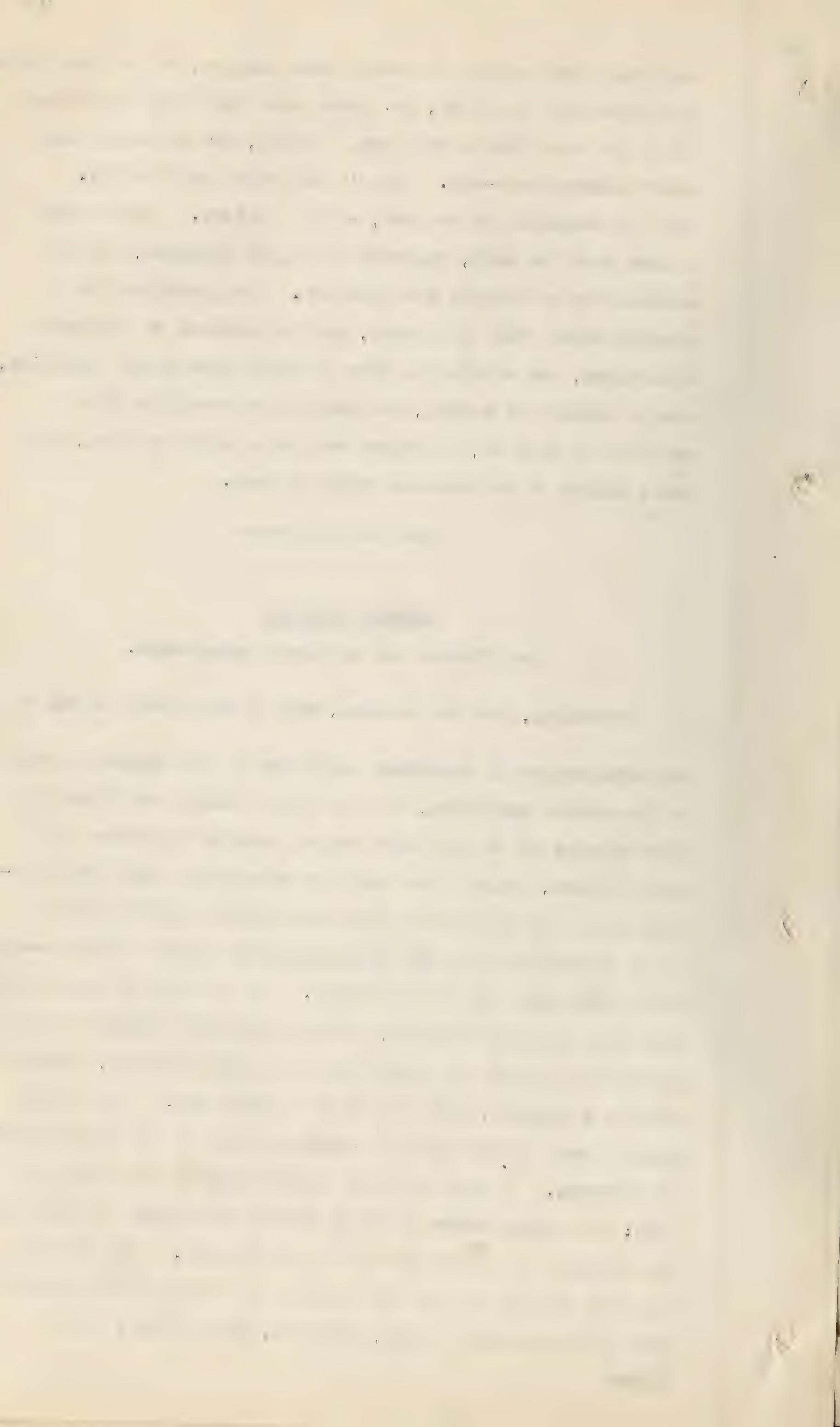


not state how many of the staff were engaged, but at one stage, in accounting for delay, Mr. Waste said that they had worked at it for more than a half day, I think, and it would take about another half-day. That's the worst point of it. This is laughable or serious,--it is serious. There comes a time when the work, whatever it is, is finished, and the contractors or workmen are paid off. The construction account should then be closed, and ten minutes or ten years afterwards, and within the time it would take to go upstairs, open a ledger and return, the Department should be in a position to tell me, or anyone who has a right to know, the exact number of dollars and cents it cost.

REPAIR ACCOUNT

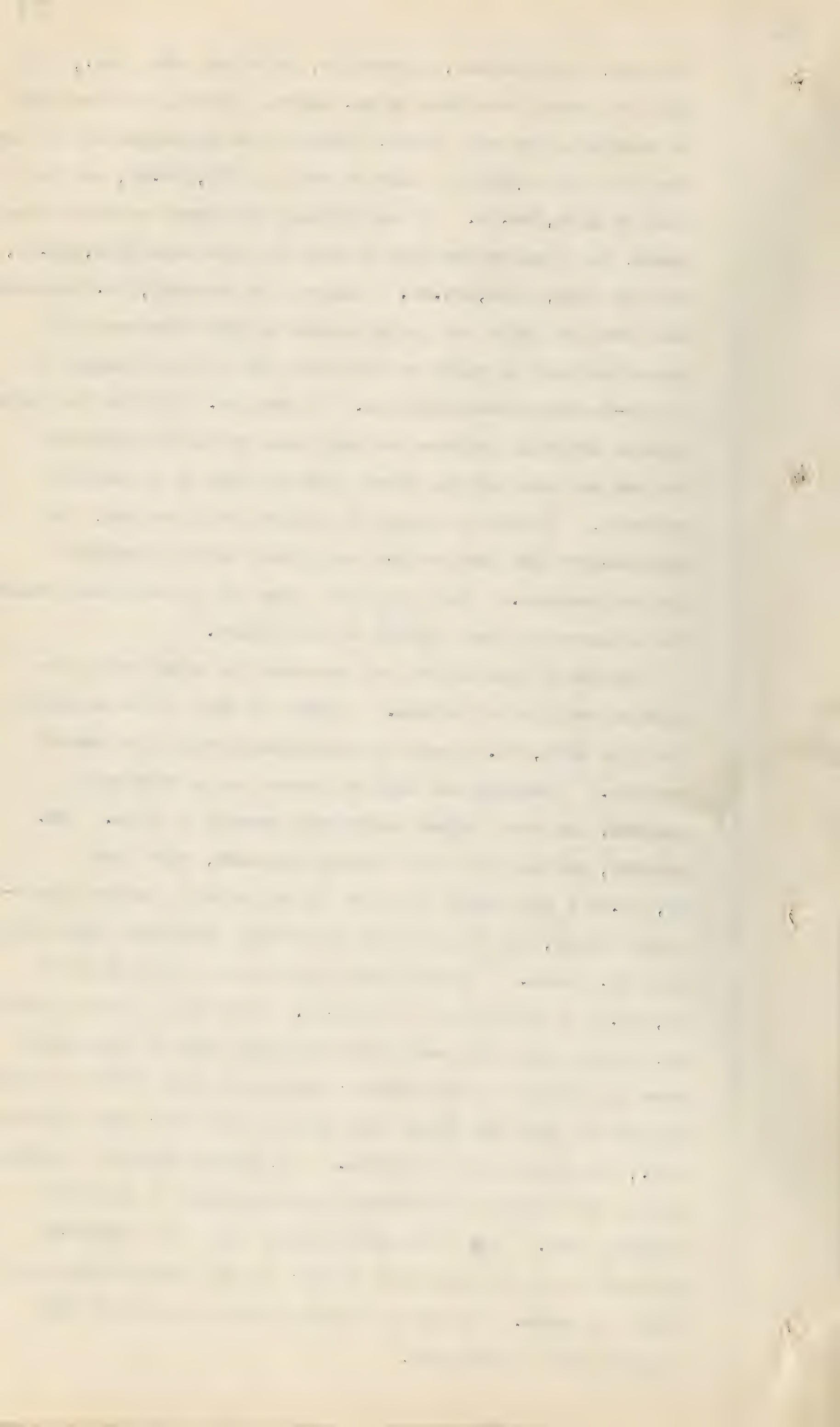
Indifferent and negligent management.

Postponing, for the present, what I shall have to say on the transcendently important questions of the hygienic condition of the school buildings, and the danger schoolchildren have been exposed to in the steam heated schools by reason of want of care, there is no question covered by this investigation where the Department is so manifestly open to censure as in connection with the Maintenance and Repair Account---the daily outgoings for little things. It is easy to understand that with ten High Schools, and more than 100 Public Schools constantly in need of something, the repair account, however carefully watched, must run up to a large sum. In recent years a part of the work of repair is done by the Department's own workmen. I have not much evidence as to the extent of this; Mr. Bishop spoke of it as yearly increasing in quantity. The material of course has all to be brought. The bulk of the work as well as all the material is furnished by contractors in the various trades, plumbers, gas fitters, steam fitter



fitters, electricians, carpenters, painters, etc., etc., In a statement furnished by Mr. Waste, I think, or from data he supplied, and said by Mr. Bishop to be approximately correct, the cost for repairs in 1915 is put at \$202,726.06, and for 1916 at \$164,294.10. In an official statement covering five years, the repairs for 1915 is said to have been \$131,430.19, and for 1916, \$108,884.35. During his argument, Mr. Dennison said that he could not quite reconcile these figures and suggested that it might be accounted for by a difference in a book-keeping classification. It may be. I think the larger figures probably include the work done by the Department's own men and some of the larger jobs covered by a specific contract. I have no reason to believe that, as yet, the Department's men have to any very great extent displaced the contractors. They certainly have not in the metal trades. The evidence is clear enough on this point.

The exact figures are not essential in considering the conclusions I have reached. I take it that on the average there is \$100,000.00 paid to contractors yearly for casual repairs. Plumbing and kindred trades are a prominent feature, and burst pipes contribute largely to this. Mr. Doughty, the Sanitary and Heating Engineer, says that \$5,000.00 a year could be saved by employing a larger departmental staff, and that he has on several occasions urged this upon Mr. Waste. Frozen pipes occasioned a loss of about \$2,600.00 in the winter of 1917-18. That was a severe winter. Mr. Doughty says the cause was generally want of reasonable care on the part of caretakers; neglect to turn off the water; neglect to blow the pipes when water turned off; open windows, etc., and nearly all avoidable. Mr. Bishop issued a circular letter that season instructing the caretakers to exercise unusual care. The offenders in every case were punished pointed out by the accident itself; the man responsible for the loss was known. It was not shewn that any caretaker was dismissed or reprimanded.



It is a little bit pathetic to think of the little army of repairers who---judging from the accounts of the various trades---must have wintered in the frigid schoolhouses in 1917-18 and other years. Mr. Dennison, in keeping with his unremitting industry, prepared a statement from an analysis of nine of these accounts covering 6 months - September 1917 to February 1918. I omit the names. I am not trying the question of the true amount of these accounts. My duty is to find out how the affairs of the Department were carried on, and inquiry into the accounts was merely incidental. It was different in the investigation made by Judge Winchester. Once the matter opened up I encouraged the contractors to call any evidence they desired by way of explanation, but it was not practicable to allow them to have the assistance of counsel to the same extent as it would be on a trial in Court. It would be unfair to drag their names in unnecessarily. I substitute letters : A, 5,547 hours; B, 712 hours; C, 291 hours; D, 229 hours; E, 2,690 hours; F, 1,453 hours; G, 1,034 hours; H, 325 and I, 510 hours. I leave out fractions of hours, if I can get within a half an hour in accounts like these, I do well. Total 12,794 hours, or at 8 hours a day 1,599 days. I am not however directly interested in the question of whether the tradesmen's employed were honest or dishonest, fair or unfair. On the mass of evidence put in, most of it reluctant evidence, I have no doubt whatever that in the past five years the Department authorized ~~the~~ payment to repair contractors of many thousands of dollars these men were not entitled to, but this, even if it mounts to hundreds of thousands, ^{the} is not the dominant issue facing the Department in the matter of repair accounts. Mr. Bishop and Mr. Waste have resigned. I would be setting a dangerous precedent were I to allow this in any way to influence me in the execution of my Commission, and in connection with the matter of repairs I conceive it to be my paramount duty to determine, if I can; Is it true that for thirty years contractors in

the various trades, many of them honest, some of them not honest,---and "the chiefest of these", for the last five years men whose business methods in working for the Department were seriously impugned in the Winchester Report---were allowed to charge what they would, and generally, and always in great measure, get what they claimed, without supervision, without check on time or material, and without the possibility of the Department being able to intelligently determine, in the end, whether the money was earned or not; and if so, why? A careful re-perusal of the evidence convinces me that this is the very serious issue which I must endeavour to determine; for the present the rest may go.

I am not trying the accounts between the Board and the Contractors, it is the acts of the Department, and not the conduct of the contractors that I am instructed to report upon. They only come in incidentally. The vital question in this instance is what did the Department make possible or probable, were public moneys left at the mercy of contractors, not whether the contractors availed themselves of their opportunities. Incidentally it has been made quite clear that some of them did. I will therefore only mention names when it cannot be avoided without injustice.

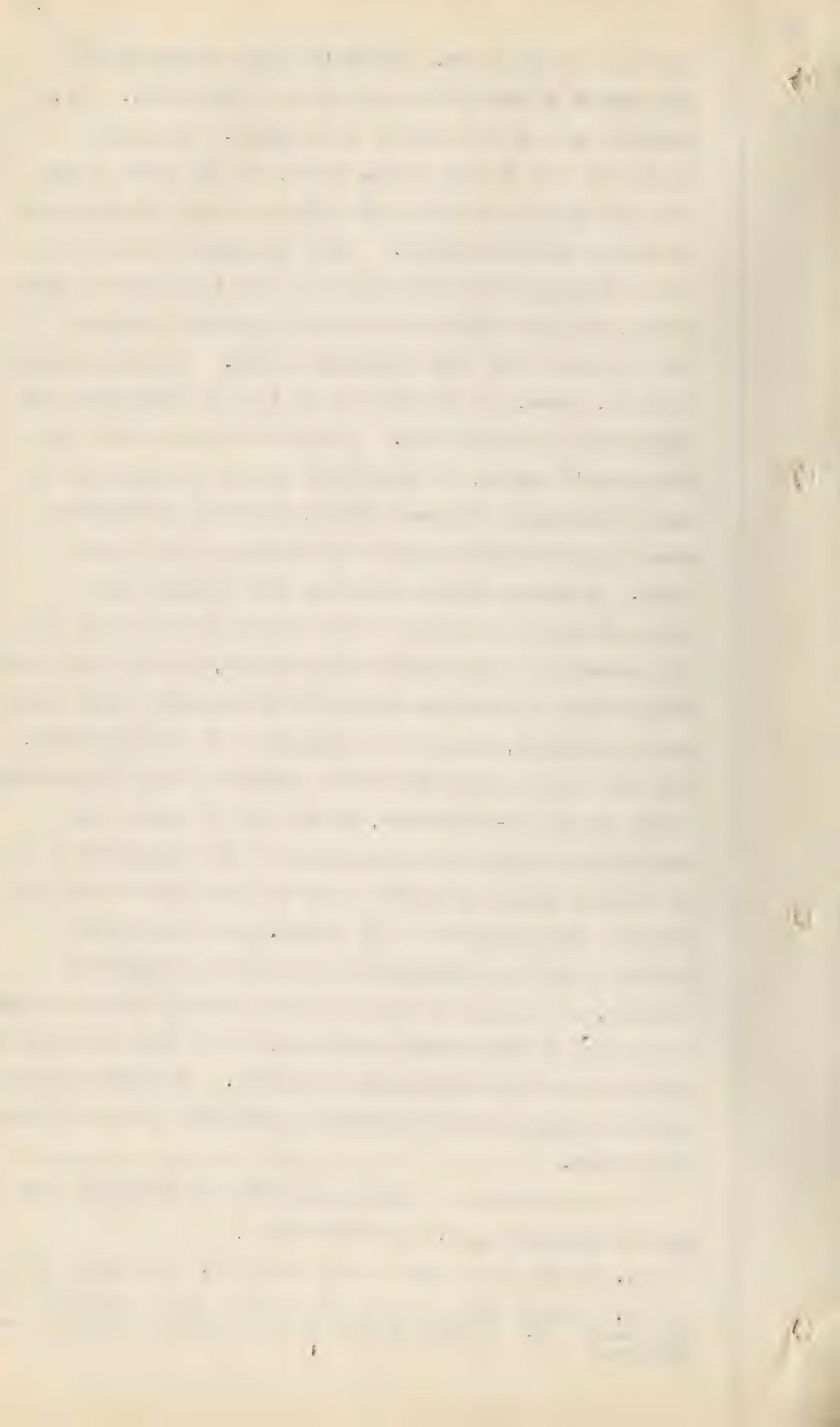
On the 22nd of August 1918, Mr. C.A.B. Brown, wrote Mr. Dennison, and amongst other things said : "As to the character of the work performed by some of the contractors, I can easily understand from the reputation some of them bear it would require more than an ordinary inspector to look after them. The difficulty is these men tender, put up a deposit and furnish securities. What are we going to do? In your own business you would not think of giving them a contract but with a public corporation it is different. If we did not give it to the lowest tender you are immediately found fault with." This is the voluntary statement of a gentleman who, counted by years of service, is the oldest member on the Board,

writing in reply to Mr. Dennison's letter announcing his appointment as Counsel and suggesting an interview. Mr. Dennison made no reference to contractors. Mr. Brown understood what he was talking about, and the heads of the Building Department would know even more about the character of some of the contractors. With the possible exception of one contractor, whom I will have to refer to in several capacities, Mr. Brown expresses himself in stronger language than I think I will feel compelled to use. The men referred to by Mr. Brown, are included in the list of those executing repairs for the Department. As well after as before Judge Winchester's Report, the Department engaged the services of men of unfavorable business repute, including contractors specifically reflected upon in the Report of the learned Judge. Assuming without admitting that immunity from criticism is the thing most to be desired by men acting in the discharge of responsible public duties, and that the Board only employed contractors of unenviable business repute under moral compulsion, there was no compulsion on the Department. Then why did it happen that these contractors were immediately sought out for re-employment, and how did it happen that thereafter they enjoyed the patronage of the Department to a far greater extent than the ninety and nine who had not gone astray? It did happen at all events, that contractors pointed to by Judge Winchester as treating the Department unfairly, as a rule, were given a larger share of the work than contractors of unblemished reputation, and in some instances this discrimination was exceedingly noticeable. Mr. Dennison argued that the attitude of the Department, after the Winchester Report, was defiant.

In the inquiry as to keeping accounts and memoranda concerning caretakers, Mr. Waste was asked :

"Q. Do you carry them in your head? A. To a great extent."

"Q. Judge Winchester said you carried nearly everything in your head? A. I think he gave me considerable credit in that respect."

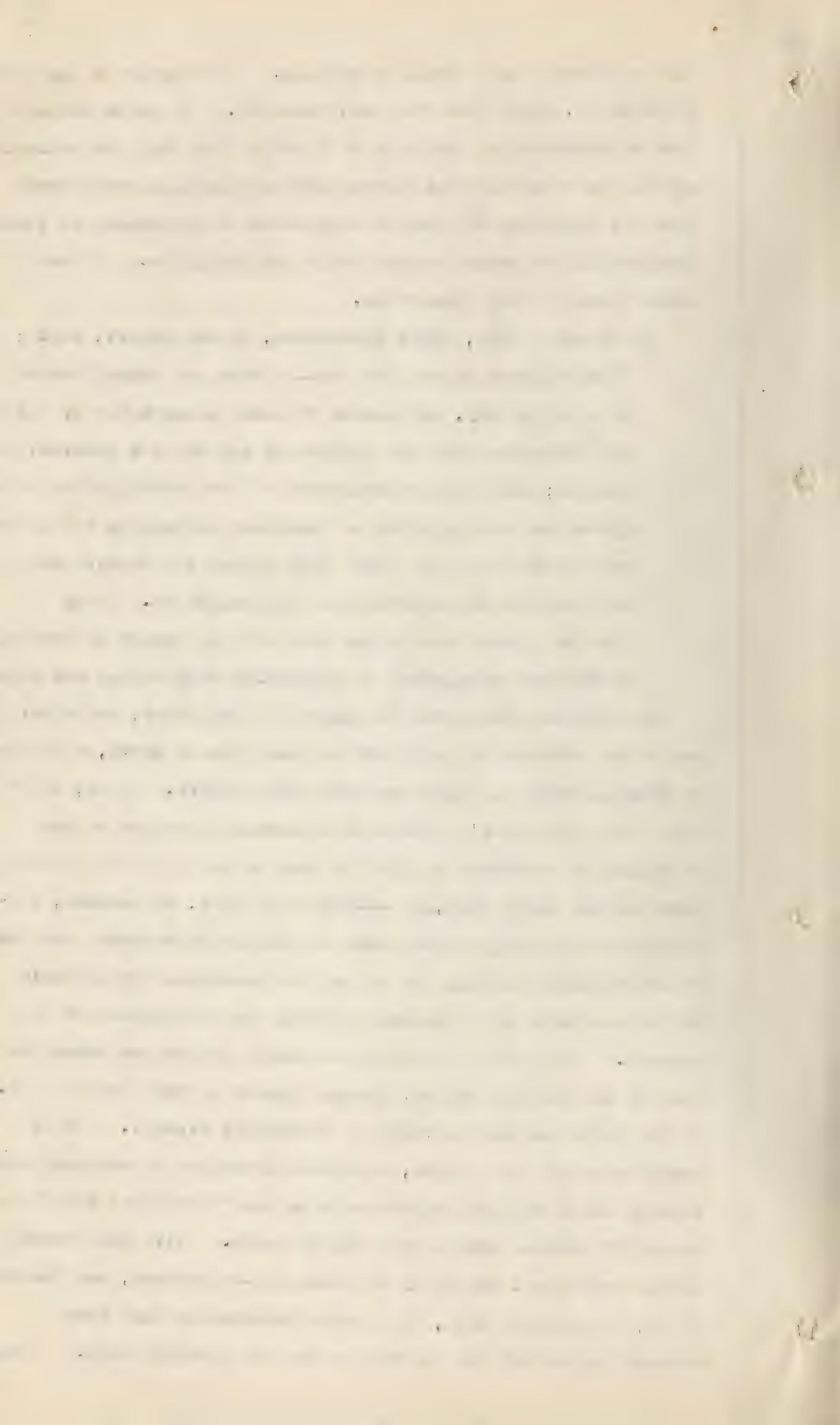


This may mean a good deal, or nothing. It depends on the sense in which Mr. Waste used the word "credit". It would relieve me from an embarrassing position if I could find that the extraordinary way in which the repair accounts were handled could from the beginning of 1914 be attributed to resentment or pique, indefensible as such a course would ordinarily be. I fear I cannot come to that conclusion.

In December 1913, Judge Winchester, in his Report, said :

"The evidence showed the repairs were not superintended in a proper way, the number of hours charged for by different tradesmen were not checked up nor was the material used checked; since the commencement of the investigation a new system has been adopted of reporting in writing but it has been shown that even under this system the repairs have not been watched or inspected as they should be. In my opinion a large amount has been lost by reason of the want of business management in connection with extras and repairs."

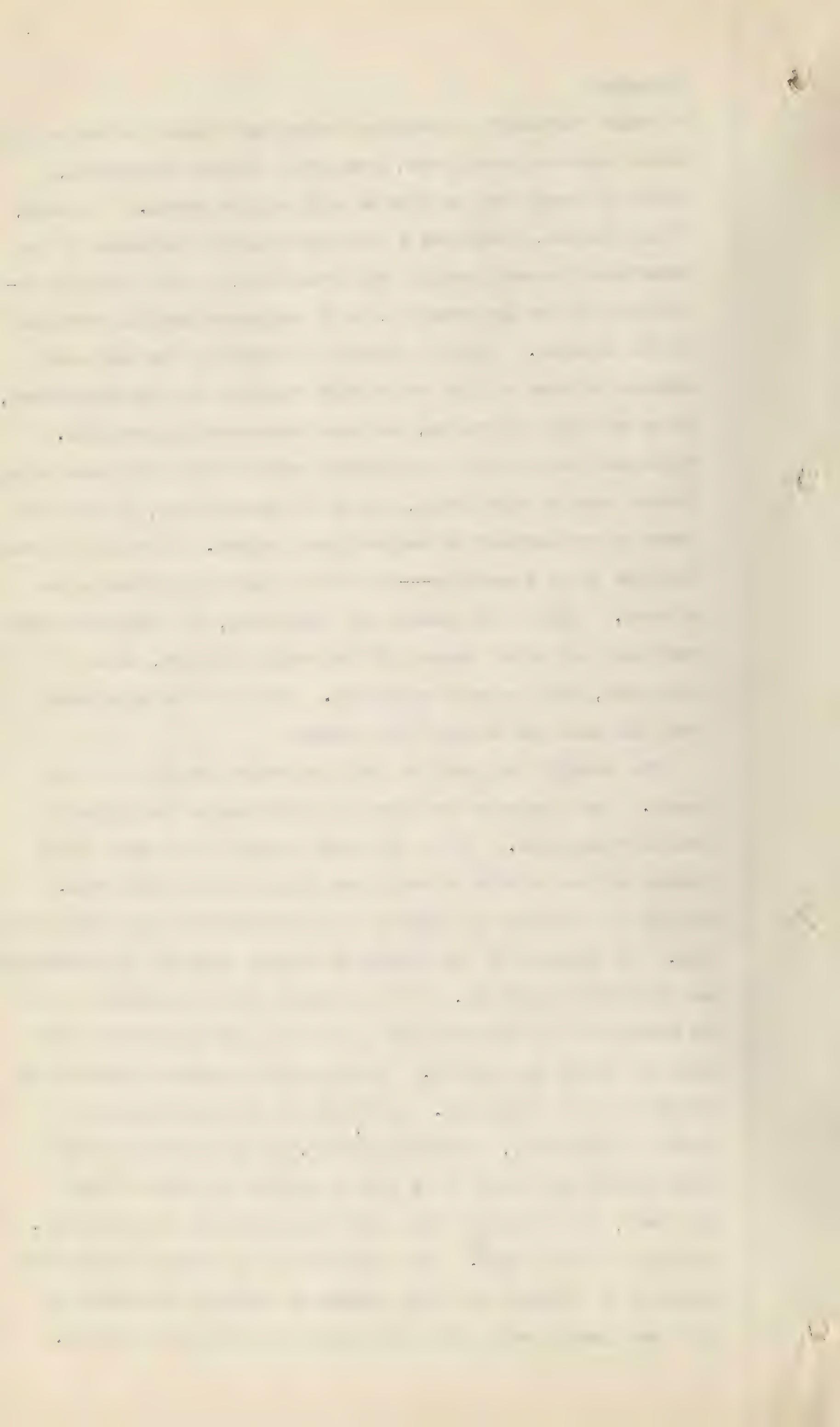
In November 1918 after the lapse of five years, and after I had taken evidence at intervals for more than a month, a system of keeping track of repair accounts was adopted. It is, in effect, that the contractors' workmen must produce a voucher to the principal or caretaker to entitle them to come upon the school premises and begin work, and subjoined to this, in columns, provisions is made for setting down the number of workmen, the time of arrival and leaving, the day of the month and the initials of the caretaker or principal vouching the correctness of the account. It is far from being as nearly perfect as human ingenuity can devise, but Mr. Bishop appears to have faith in it. It is simple and will involve no additional expense. It is workable as far as it goes, a partial guarantee of accuracy and honesty and a distinct improvement on the "open door" and "help yourself" methods of the past thirty years. With the attention of the Department pointedly directed to the leakage, and the cause of it, in December 1913, it is most unfortunate that some attempt to prevent its recurrence was not promptly made. I say



"attempt"

a prompt "attempt", because a serious and honest effort to bring about improved conditions, even if it proved inadequate, would at least have been an earnest of good faith. In 1914, if not before, there was a distinct call to the heads of the Department to act promptly and prudently, as well for the reputation of the Department, as to safeguarding the revenues of the schools. Whether rightly or wrongly, the business methods of some of the contractors working for the Department, under building contracts, had been successfully assailed. These men had shared in the repair work and the door was being thrown open to them again, and as to supervision, on the same terms as contractors of unquestioned repute. Surely that was the time to do something---not when a second Commission was at work. Within its powers and functions, the Building Department like any other branch of the school service, to be efficient, must be self operating. Why did the Department stay its hand for another five years?

Mr. Doughty has been in the Department for six or seven years. As a rule he has done good service as Heating and Sanitary Engineer. If he had been given a free hand in his branch of the service he would have done still better work. He was not disposed to magnify the difficulties that confronted him. In loyalty to his Chiefs he touched upon his difficulties as lightly as possible. It is evident that he had more work to do than it was possible for him to do, and he applied for help and could not get it. He says the Department thoroughly understood the situation. Although he was called upon to check the accounts, including prices, he had nothing to do with prices, and could form only a general opinion---"some opinion", as to whether they were reasonable or unreasonable. Opinion is not enough. The Department was bound to take such measures in advance as would guarantee definite knowledge of what was justly owing, when the time for settlement arrived.



In one form or another, almost every species of irregularity is in evidence in connection with these accounts. Some of them are referred to in Mr. Doughty's evidence. Miss McAnsh, who was supposed to check prices, had no definite way of ascertaining prices, and says that amongst other casual methods she referred to Mr. Doughty. His evidence is otherwise. Accounts according to Doughty were put in that were unrecognizable so far as identifying the transaction was concerned, and they were passed through without change. He says he is not responsible for Miss McAnsh's accounts, but he vouched for the correctness of her work all the same, and the Department expected him to do so, knowing the conditions and the facts. At page 2136 in his examination I read :

"Q. But you are responsible for the accounts ?
A. No, Mr. Dennison, I am not.

"Q. You vouch for them? A. Well, that's all right. I don't give that girl her duties or engage her or have anything to do with her.

"Q. It is a very unsatisfactory system. A. I know it is.

"Q. And unbusiness like? A. Yes."

He was in a position to certify that the work was done but not that the material claimed for was furnished; but the stamp covered both.

"Q. Work and delivery checked by C.J.D. He, C.J.D. says checks delivery ? A. Yes." And as I have said he certified to price.

By the COMMISSIONER : "You say that (the stamp) should not be in that way? A. No, I say it should'nt your Lordship. "Q. Because it is not correct. A. Yes, and they know it is not correct."

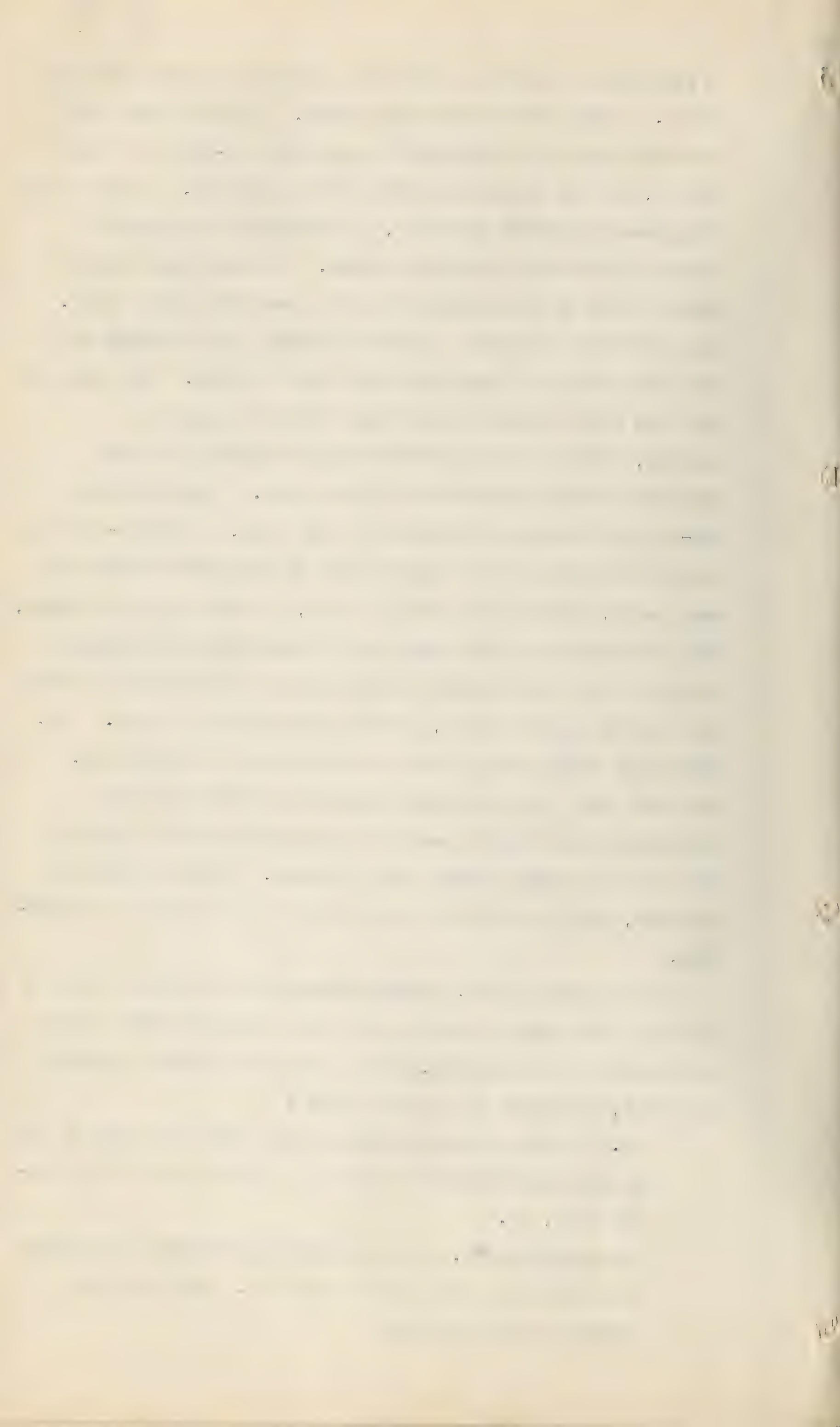
In plumbing and fitting there was no uniform rate or method. Some charged time and material and added a stated profit, others included an undisclosed profit, some invariably charged for helpers, others rarely charged for helpers, some not at all.

There was no uniform price and no attempt to fix a uniform price. Time sheets were never asked. In some cases the practice was for an official to amend and re-write the time sheets, and the originals could not be produced. After a long delay one contractor produced, as original time sheets a bundle of perfectly unsullied paper. It was impossible to accept these as originals made out by men with grimy hands. One prominent contractor included charges for a foreman who goes from place to place wherever they had work. The head of the firm said foremen's time would not be charged to anybody, would be paid out of overhead expenses, but his employees stoutly maintained it was right. One contractor sub-let work because it was not in his line. The sub-letting was not disclosed in the account yet he included a charge of many hours, running into days I think, for time of his foreman, and the foreman had the hardihood to swear that not knowing how to do the work himself he spent many hours discussing with the men who understood it, how the work should be done. Mr. Waste said nothing as to the two matters last referred to. How could he? He could not justify the charges and the alternative was that he passed the accounts without knowing that these outrages charges were included. This is only an instance, and the foregoing summary is only by way of illustration.

I refer again to Mr. Doughty because his evidence throws a flood of light upon a question far more important than either bad system or overpayments, namely : was the system, defective as it was, persisted in in good faith ?

"Q. So this precious stamp is not worth one cent as far as its representation goes ? A. It may not be in proper form, no.

THE COMMISSIONER. Is it misleading because it contains statements that are not correct? A. That is quite correct, your Lordship."



Two years ago or more, Mr. Doughty spoke to Mr. Waste about engaging men under the Department---as many as would be constantly employed---to work on repairs, particularly in his branch, plumbing, steamfitting, etc. He assured Mr. Waste that a saving of \$5,000 a year would be effected in this way. He spoke to Mr. Waste about this several times. Mr. Bishop referred to the fact that a number of men have been employed, as he expresses "in constantly increasing numbers", and I understood him to speak of it with considerable satisfaction as an improvement. Plumbing, steamfitting, and work of this class is proverbially the most difficult thing to keep track of.

Looking at Mr. Doughty's evidence, I find that so far as his branch of the service is concerned this desirable change was not begun until last fall, and is practically coincident with the system of supervision referred to. A bricklayer and tinsmith were engaged earlier, about midsummer. To the extent these men are employed they oust the contractors from one of the most profitable classes of work the Department has to let, the other being extras; and as Mr. Bishop said: "all contractors covet extras". With a method of checking in force, the retention of repair work becomes less important to contractors, that is to dishonest contractors.

During all the six or seven years of Mr. Doughty's employment, contractors have been allowed to take away the old metal when they put in new, and except in two or three, or at most half a dozen instances, no credit has been given for it to the Department. Doughty served his time as a plumber and fitter, worked in the trade, and was familiar with its customs, etc. He always thought this was wrong. Any of it can be sold to junk dealers at the premises, and quantities of it can be worked in on other jobs. He spoke to Mr. Waste ~~about~~ about it a year or two ago and told him that if it were stopped "I would guarantee at least a saving of \$500.00 a year". This is what

he swears he said to Mr. Waste and he says he spoke to him about at least on two occasions. In his evidence he said---referring to the actual value of the material taken---"Now, I don't know whether we have that much (\$500.00 worth) or less, I think so, I think all our old material would amount to that, possibly". Whether it was \$300 or \$500 is now of little consequence. What is of consequence is Mr. Waste's answer:

"Q. What was the reason you did not insist upon it before ? A. Well, when I spoke to Mr. Waste he thought that was the legitimate property of the plumbers
"Q. And you stood for that ? A. I couldn't do anything else."

These conferences are not denied and it is not pretended that the plumbers had any right to the old material. And what happened in the end? Again last fall, the Department became alive to the public interest, and the caretakers were instructed not to allow contractors to cart away the old material. Justice delayed is injustice. You cannot have commissions constantly in session.

I am compelled to quote again from Mr. Doughty's evidence, as a summary would be liable to create a wrong impression :

"Q. But I do not see yet * * * * you had a special knowledge of both the methods of the people employed and of those trades and prices and so forth, and shouldn't have insisted upon a more rigid inspection and checking ? A. I should have, yes, even though it would have made things very disagreeable for me in the Department.

"Q. And you were embarrassed because you felt that it might have made things unpleasant for you? A. No doubt Mr. Dennison.

"Q. And the reason it would have made things unpleasant for you was because there were others in the Department who were apparently favouring -----? A. I won't

say that . I have no reason to say they were favouring -----unless you would bring it in to mean they were giving him work.

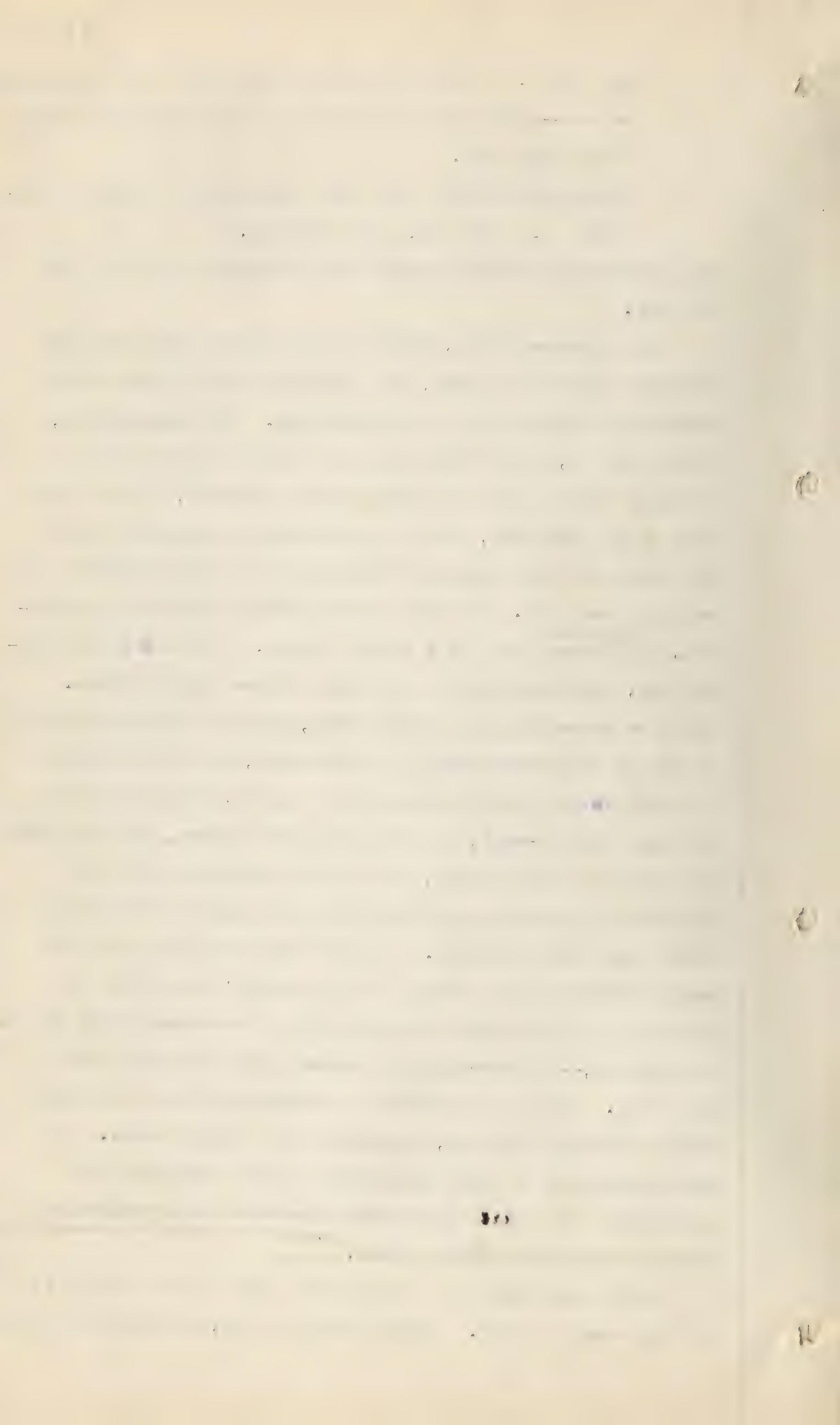
"THE COMMISSIONER : Who were disposed to be quite satisfied? A. Quite so, your Lordship,"

The contractor referred to was the recipient of a great deal of work.

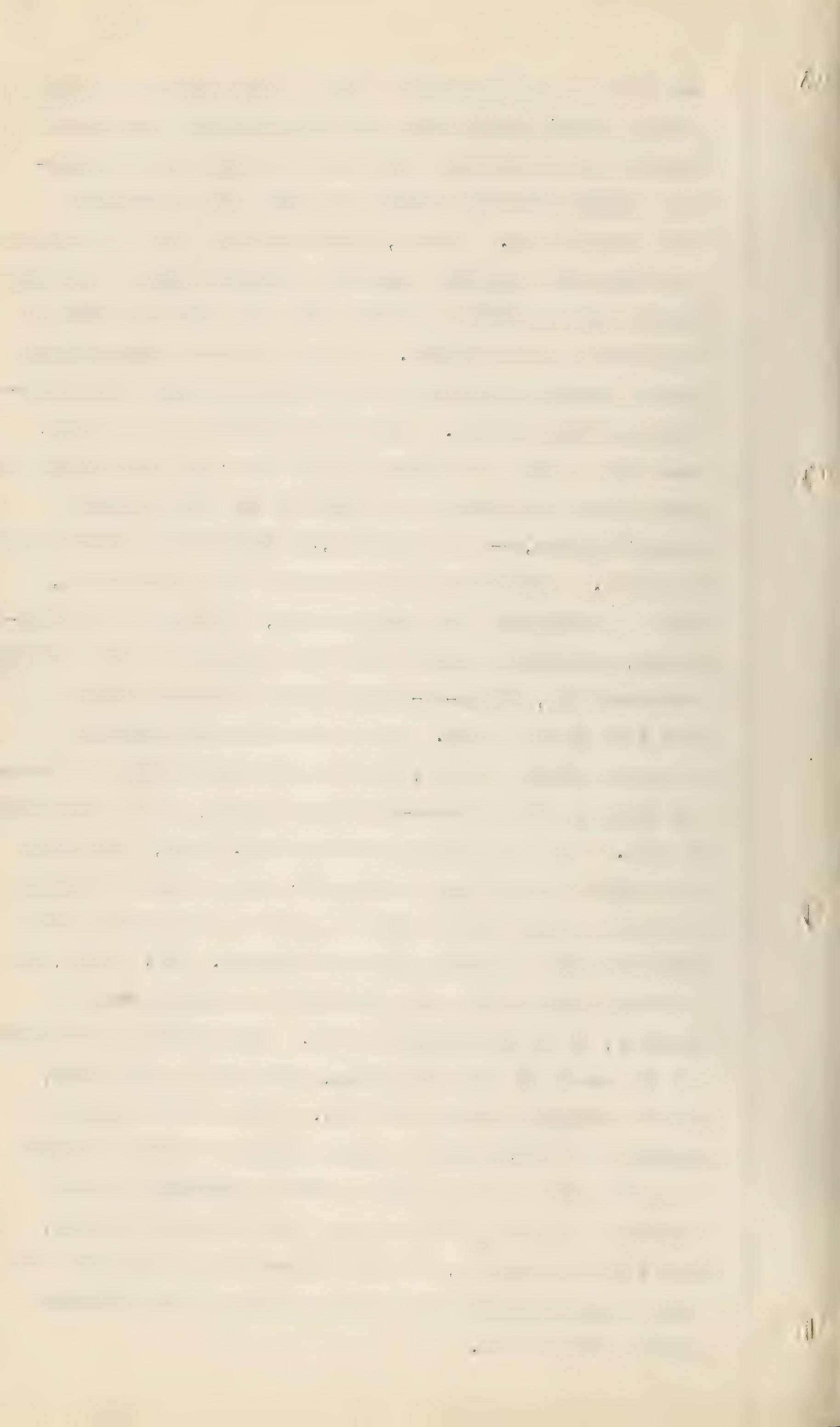
I am referred by Mr. Waste to the circumstance that they employed District Foreman, and presumably one of these would examine the work after it was completed. His examination, if he made it, is of little use; he did not see the men at work, he did not know how many men were engaged, or when they came on or went away, and in the majority of cases he could not judge with any degree of certainty as to what quantity of material was used. No post mortem however searching or skilful, is a/_{substitute} legitimate for a timely remedy. But bad as the system was, the lax methods at the head office made it worse.

There is no evidence of a systematic, regularly pursued checking of any of the transactions I investigated, and in this matter I cannot escape from the conclusion that Mr. Waste was quite too easy and off-hand, took too much for granted, treated these accounts as little things, and was too considerate of the feelings of a class of men who are quite capable of looking after their own interests. He must have forgotten for the moment his duty as a trustee of the peoples' money when he insisted on continuing the annual gift of the scrap metal to the contractors,---a time-honoured custom, only abandoned when it had to be. It is not necessary to stigmatize this conscious waste of school property, perpetuated for thirty years. It was perhaps only a trifling gratuity at the beginning but capitalized for ~~thirty~~ years ~~should not have been treated by a~~
~~public servant as a little thing. sum~~^{would amount to a substantial}

For the most part the conclusions I must reach are not to my mind open to doubt. Until November last, no serious attempt

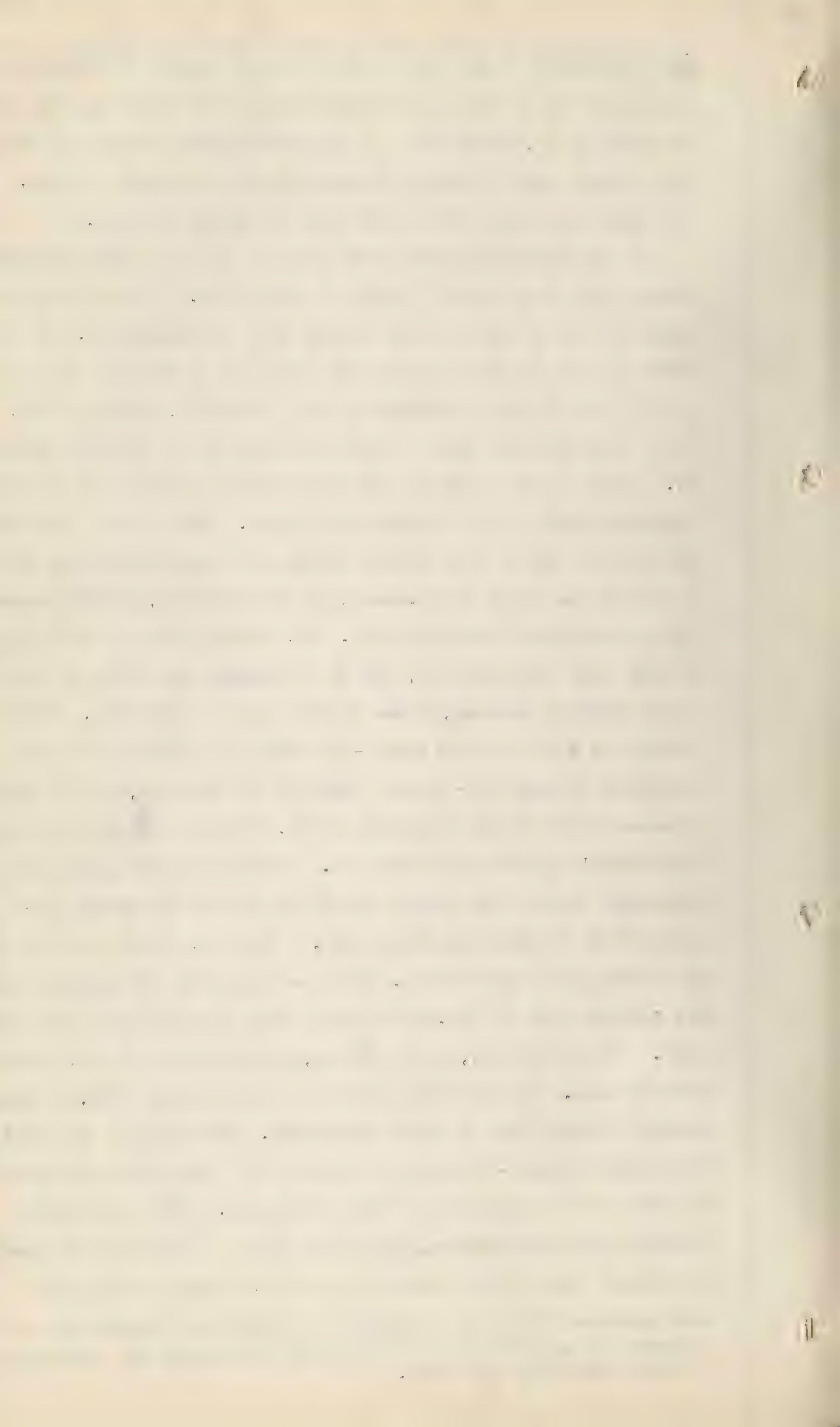


was made by the Department to keep in touch with the repair work as it was being done, and nothing was done that would enable it to effectively check over the accounts, or ascertain whether the sums claimed for either time or material were owing or not. It was, practically all left in the hands of contractors and their employees, whether honest or dishonest, and the Department had to settle very much upon the basis of conjecture or indifference. It was a vicious system for it invited laxity and dishonesty on the part of both the contractors and their workmen. Be the contractor ever so honest, there was no need of vigilance on his part; he lost nothing if part of the time returned was spent at the horse races or Barnum's circus,---it all counted, his percentage profits applied to it all. Whatever may be said as to the earlier years, want of forethought , or what you will, I can find no justification, no plausible excuse for the continuance of this clearly unbusinesslike, "happy-go-lucky" method during the period I have been investigating. There was sufficient warning, an obvious danger of loss, and an unmistakable demand for care---for vigilance I would say--and prompt action, at the beginning of 1914. "In your own business" says Mr. Brown, "you would not think of giving them a contract"; and the risk of trickery and loss in these casual jobs is as ten to one compared with work done under a specific written contract. Mr. Bishop, as I find by papers filed, had outlined the amended method of November, in the springtime of 1918. My Commission had issued but the Board had taken no action, might never take action, and the Commission might never sit. Why was this urgently needed reform held back ? I have not gone into the accounts in question to the extent that would be necessary for final adjustment in a Court of law, but I have abundant evidence, verbal and documentary, to make it clear that in the last five years a large aggregate sum has been lost to the ratepayers through want of care.



Assuming good faith, and looking at the whole matter in the most favourable light, the system and the method of administering it, was about as bad and unbusinesslike as it could be, the delay in amending it, unexplained, is inexcusable; the conditions manifestly involved loss of public moneys, and have resulted in loss. The Department has left itself open to severe censure.

On the facts disclosed, the question of good faith necessarily arises, and I am not at liberty to ignore it. I have given this phase of the matter as much thought as I am capable of. It is right to make it quite clear that there is no evidence that would at all justify me in concluding that either Mr. Bishop or Mr. Waste made personal gain by reason of any of the matters referred to. Good or bad faith is not a question of nominal or technical responsibility, it is a question of fact. What I have learned of the working out of this faulty method, for administration, left solely in the hands of Mr. Waste, and his attitude, greatly increases the difficulties confronting me. Mr. Bishop ought to have inquired into what was going on, and if he learned one tithe of what I incidentally learned, he was called upon to interfere. When he opened the door to all comers - nay when he invited men under suspicion to come in - he was bound to be watchful, and all this is accentuated by his knowledge of Mr. Waste's methods and Judge Winchester's pointed declarations. Public servants appointed to discharge responsible duties cannot be allowed to escape responsibility by shutting their eyes. When Mr. Brown inquired of Mr. Bishop as to whether Mr. Waste had improved his methods, he was assured that he (Mr. Waste) "was a very valuable and competent man". The situation, bad in itself, was aggravated by Mr. Waste's want of care. By its whole course of action after 1914, the Department left itself open to grave suspicion. Suspicion is not evidence, but circumstances - a chain of events - is often quite as reliable in coming to an opinion as direct testimony. After anxiously thinking this matter over, again and again, I cannot bring myself to believe that in this matter either Mr. Bishop or Mr. Waste were actuated solely by a desire to advance and secure the public interest or faithfully and efficiently discharged the responsible duties devolving upon them.



itself open to severe censure.

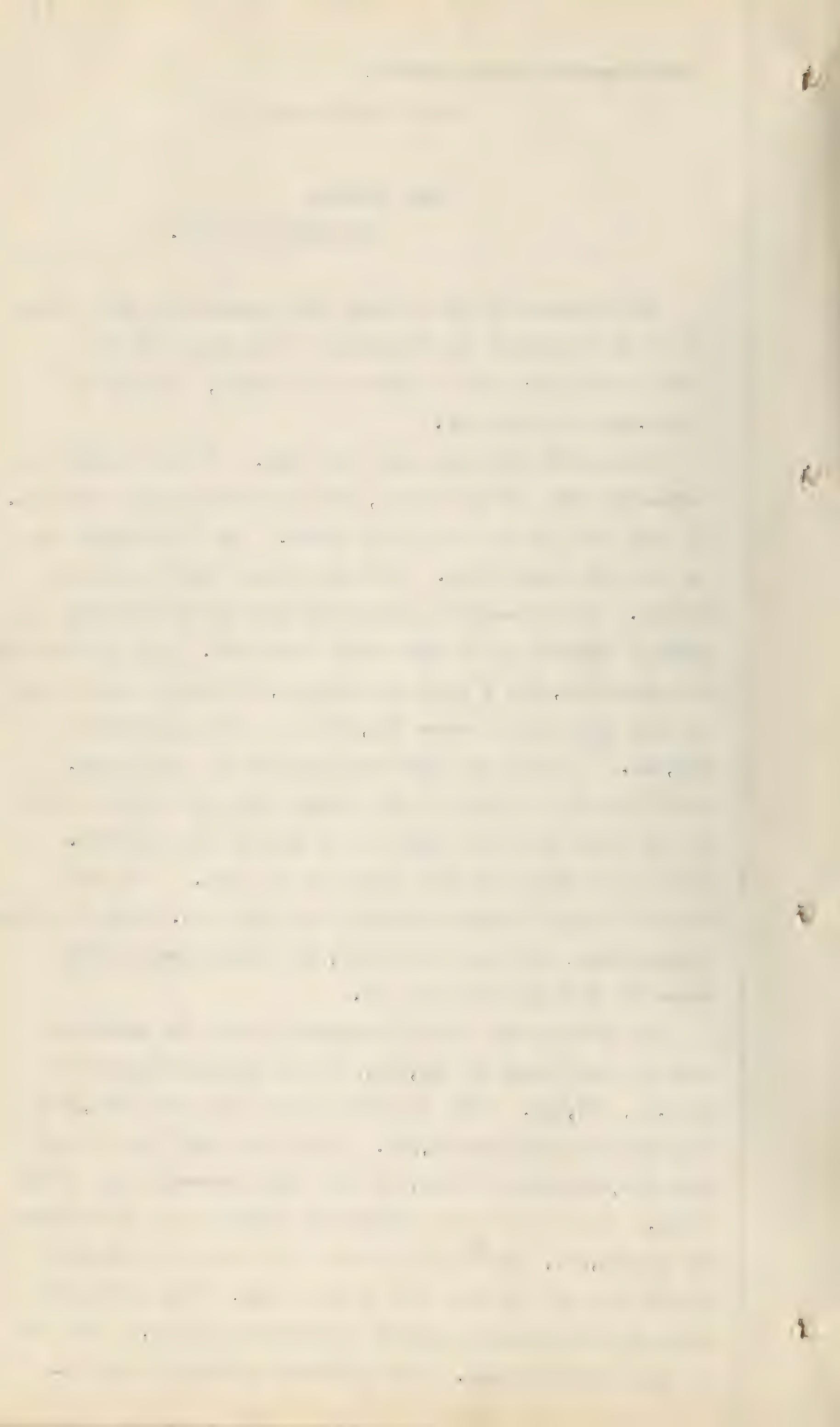
PARK SCHOOL,

Springman Contract.

As presented at the hearing, this appeared to be a simple question of whether the Department is to blame for the loss of \$12,700; could it have been avoided, I think it could have been avoided.

Financially Springman was very weak. It was evident in September 1916, if not before, that he would not pull through. In June 1916, he had only drawn \$4000. Up to September 1916 he had only drawn \$7500. This was a good time to get rid of him. All subsequent moneys were paid to the Canadian Bank of Commerce or to importunate creditors. For some reason not explained, but I think discernable, the matter was allowed to drop until he had drawn \$18,700 on a total contract of \$28,950. I think the Department managed it very badly. They had only to refuse to give money which he had not earned and he would have been compelled to give up the contract. There would then have been little if any loss. I am not, however going to pursue the matter on this line. Like the Vokes transactions, the repair accounts, and Exhibit 84 it looks worse the more you look into it.

The contract was let to Springman for all the carpentry work of Park School at \$28,950, or with extras estimated at \$300.00, \$29,250. When he failed he had been paid \$18,700; lien holders were paid \$3,300. That would mean that he had done \$22,000 worth of work, or more than three-quarters of the total. The contract to complete the work was let to Williamson at \$19,950, and this suggested that as much as one half of the work had not been done by Springman. The explanation given is the increased cost of labour and material. That is not quite satisfactory. The increased cost would not con-



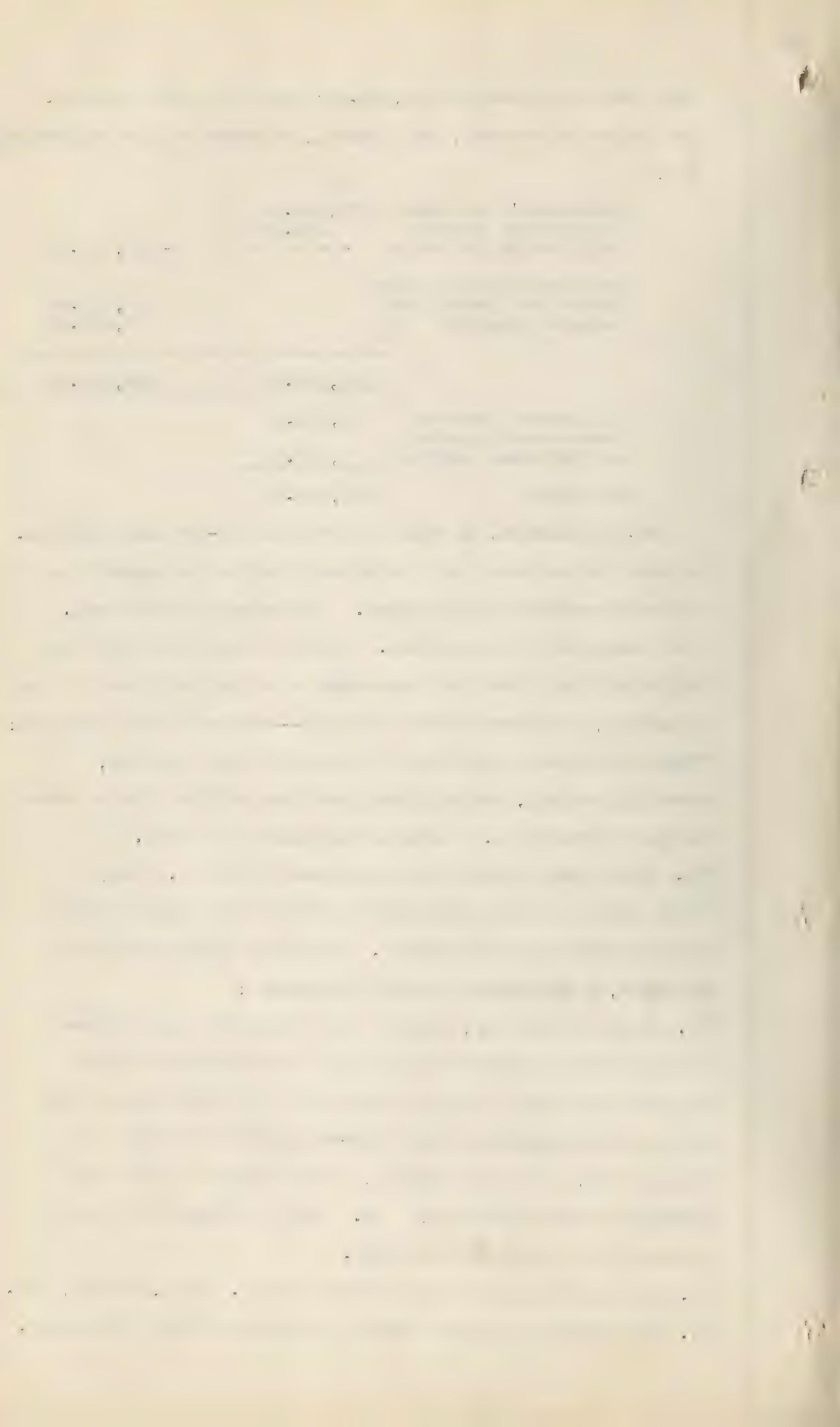
vert \$9000 into nearly \$20,000.00; and it is not the fact. The carpentry account, Park School, as shewn by the Department is :

Springman's Contract	\$28,950.00
Approximate Extras	300.00
Paid during the work-	----- \$18,700.00
Paid solicitor and dis bursed to lienholders	3,300.00
Balance unearned	7,250.00
	<u>\$29,250.00</u>
	<u>\$29,250.00</u>
Williamson Contract	19,950.00
Less amount unearned	
on Springman Contract	<u>7,250.00</u>
Net Loss	\$12,700.00

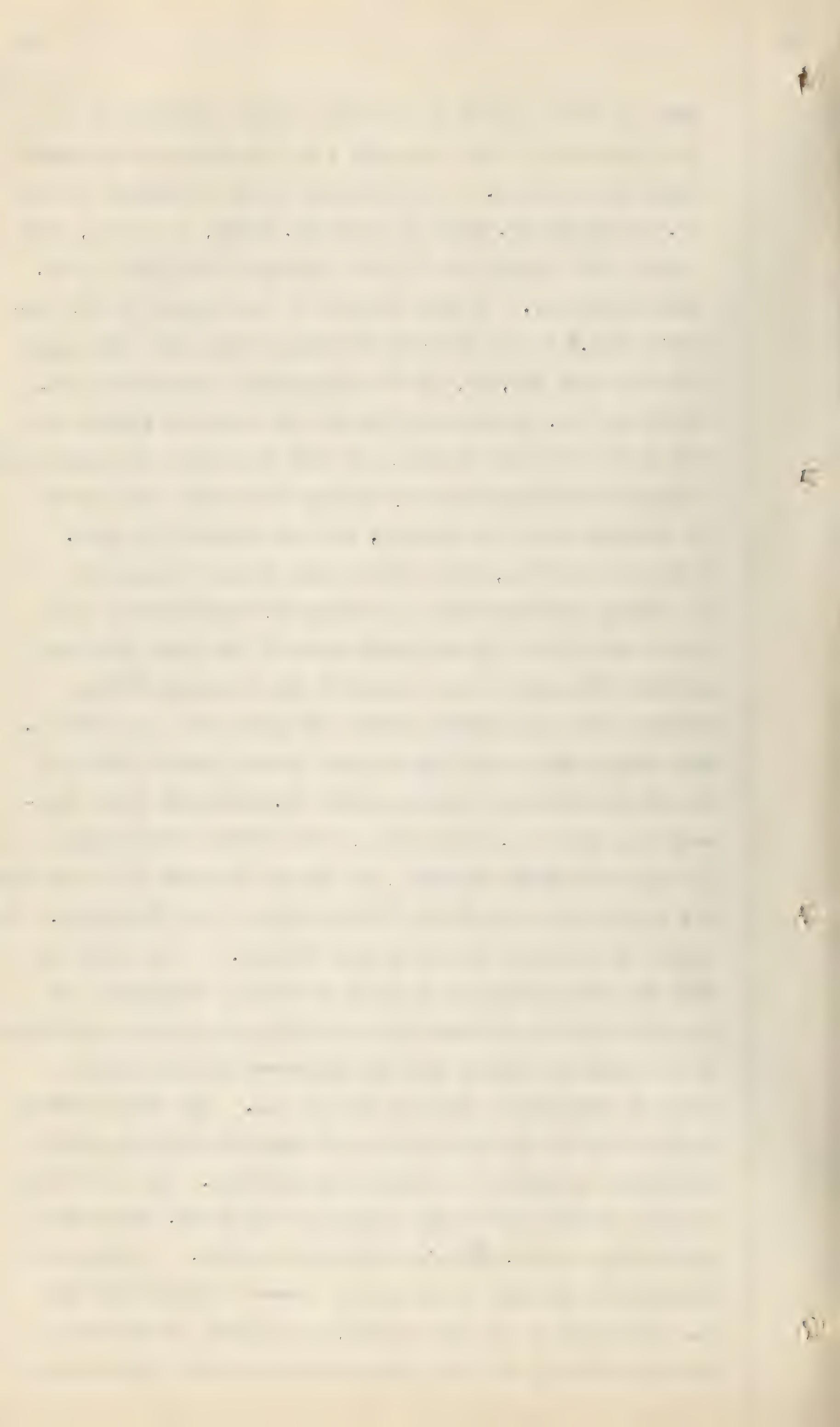
Mr. Williamson, to whom the work was re-let was examined. He gave his evidence very reluctantly as to the proportion of the work executed by Springman. He hedged a great deal. The reason is quite apparent. After I had pretty clearly explained that I was not concerned in a long story as to rise in prices, in answer to the question---several times repeated: "Now, about what proportion of the work would you say, speaking roughly, he(Springman) had done at the time he threw up the contract? A. Well he had half of it done." "Q. About half of what he contracted to do? A. Yes, I would judge that the other half would be the expensivehalf, the half that he left undone". So as to leave this quite definite, I subsequently asked him again :

"Q. Take it this way, whether the contractor had tendered high or low he contracted to do all the carpenter work in that building for a certain sum, and at the time he gave it up he had accomplished about one-half of his contract, or 60%, or 40%, just as it may be, and a builder could tell roughly how that would be? A. Well, he might have had one-half of it done at that time.

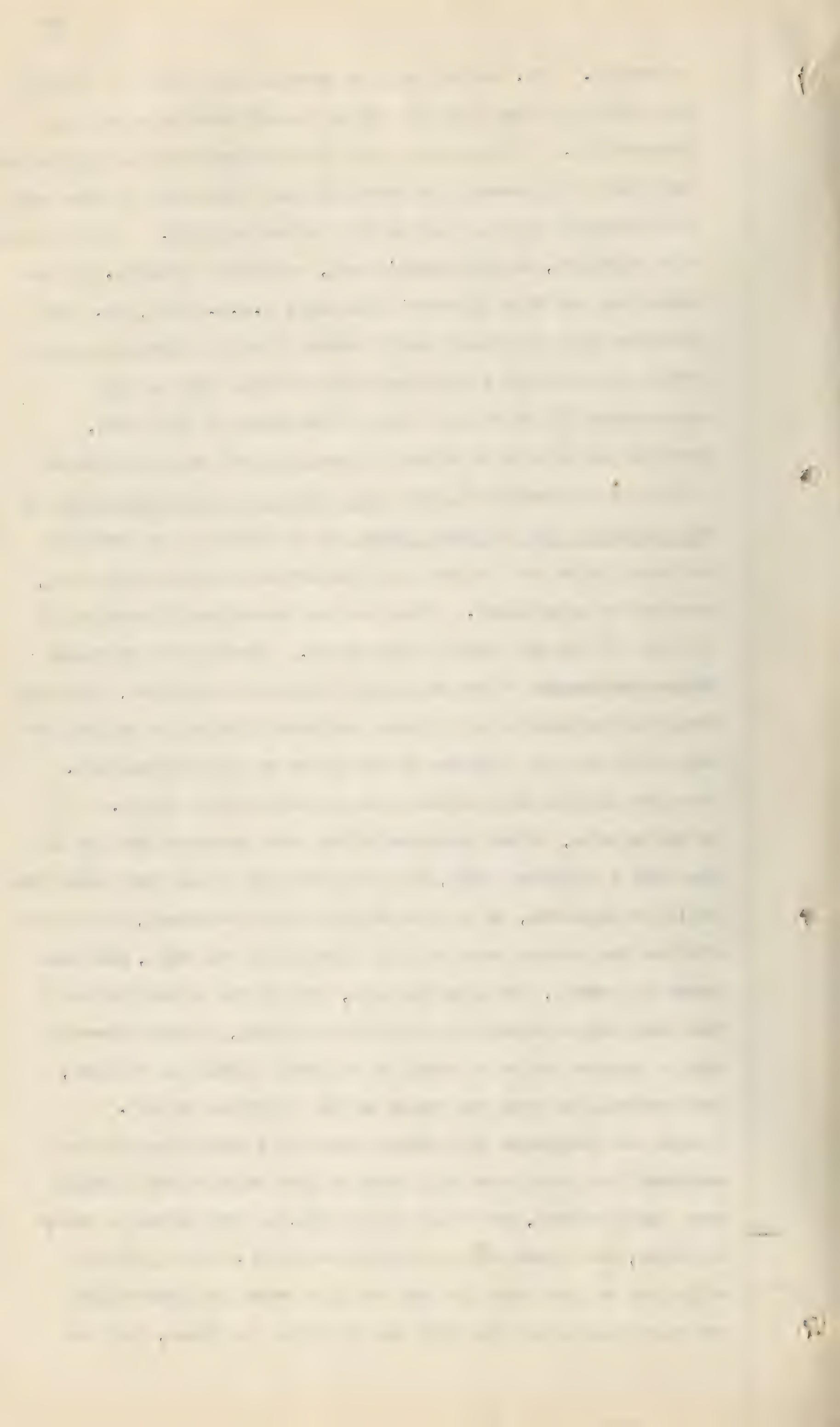
"Q. Is that the best of your judgment? A. Well, that is, yes.
"Q. He had done half the work he undertook to do? No answer.



this is what I regard as the only reliable evidence as to the proportion of the work done and left undone by Springman under his contract. I have looked up the discussion between Mr. Belfry and Mr. Waste in which Mr. Waste, in effect, told Belfry what to say and he like a child in the hands of Mr. Waste echoed it. It was contrary to the records of Mr. Belfry's acts. It is not possible to believe that after Springman had been paid \$18,700, and the payment was irrevocable, Mr. Belfry and Mr. Waste found that he had been paid exactly the 85% he was entitled to draw, and that the amount the Department retained for lienholders was exactly the amount that had to be retained under the statute, not one cent more or less. I have in mind too, that pressure was brought to bear on Mr. Belfry by Cooper so as to enable the Department to get him to certify to pay Springman money to the Vokes Hardware, and that when there was a crisis in the relations between the Department and Belfry, Vokes and Belfry had a discussion. What Belfry says about the pressure Cooper tried to exert is no evidence whatever against either Mr. Waste, The Vokes Hardware Company or Mr. Miles Vokes, but I believe that Cooper did say what Belfry alleges, and Belfry believed it at the time and continued to believe it while he was in the Department. Mr. Belfry is an honest man but a weak witness. I am bound to take the fact he deposes to as an element in judging of his probable attitude in determining whether his judgment was liable to be warped in dealing with the Springman account, and I think it exceedingly probable that it was. His whole conduct while he was in the Department shows that he was a man easily controlled by anyone in a dominating position. At all events I do not accept what he was induced to say by Mr. Waste---his confirmation of Mr. Waste's several statements. I never give much heed to evidence given by two men---the questioner and the questioned in the same breath; and neither of them said that the value of the work was calculated on the basis of the

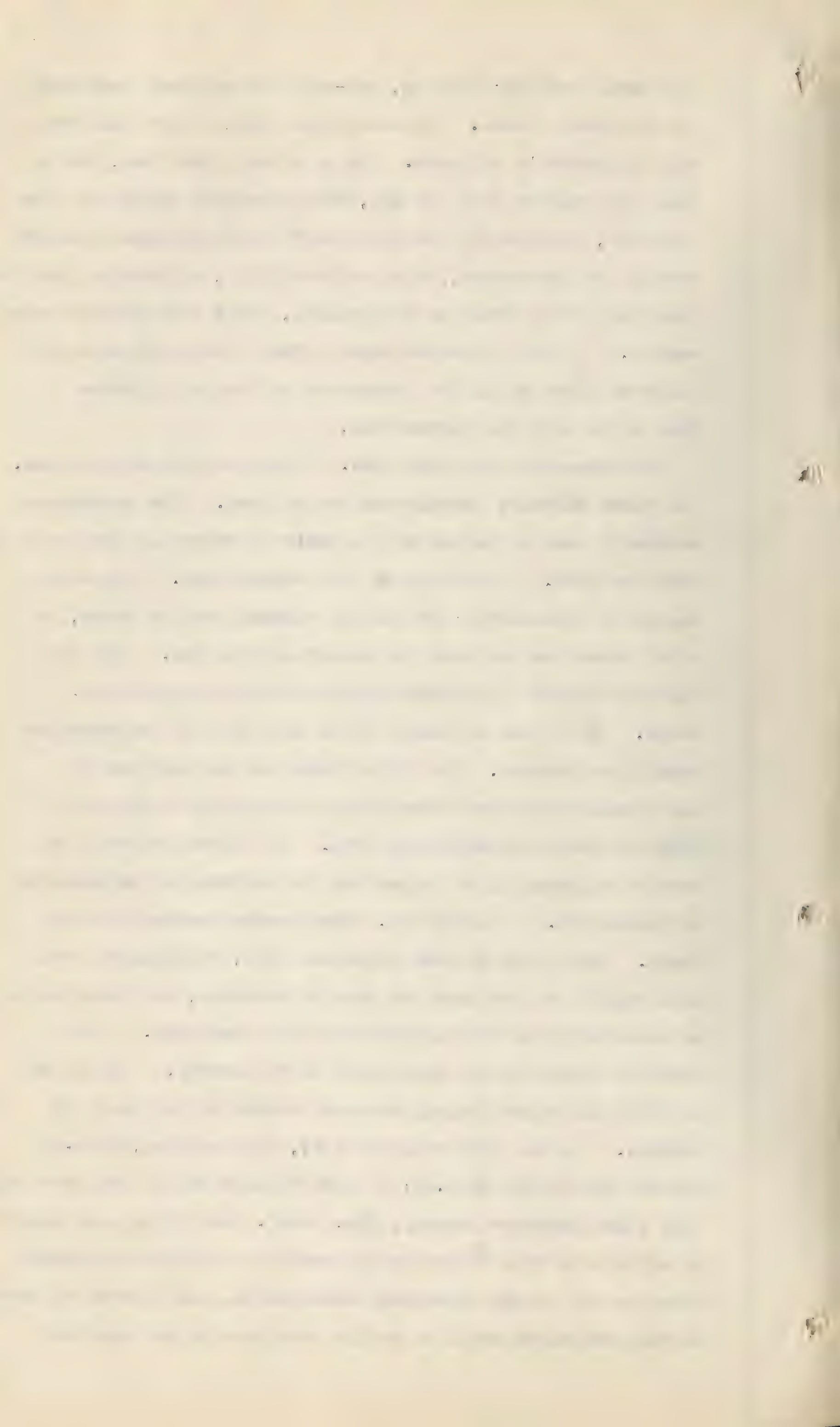


contract. Mr. Bishop said he presumed it, but all through was careful to say that he had no actual knowledge of the transaction. I therefore take it as established that Springman had done only one-half or possibly less than half of the work he contracted to do, that is the carpenter work. In the case of a contract, as Springman's was, exceeding \$15,000.00, the Mechanics and Wage Earners' Lien Act, R.S.O. 1914, ch. 140 provides that the owner shall deduct from the contractor and retain for 30 days after completion of the work or its abandonment "fifteen per cent of the value of the work, service and materials actually done, placed or furnished as mentioned in section 6, and such value shall be calculated on the basis of the contract price, or if there is no specific contract price on the basis of the actual value of the work, service or materials". This is the provision of section 12 (1) (2) of the Act above referred to. Section 10 provides : ~~Save except~~ "Save as herein otherwise provided, the lien shall not attach so as to make the owner liable for a greater sum than the sum payable by the owner to the Contractor". When the figures are looked into it is all very plain. It is quite true, prices advanced after the contract was let on the 15th of October 1915, but this did not in any way alter the ratio of payments, or of the amounts to be retained; under the Statute the owners were only at liberty to pay 85%, and were bound to retain, for lien holders, 15% of the actual value of the work and material put into the building, calculated--not upon a changed value of work or material either up or down, but "calculated upon the basis of the contract price". I have not forgotten that there often is a provision in the contract that the owner will have a lien on material brought upon the premises, and there may be such a provision in this contract, but there was no suggestion by Mr. Waste, or the solicitor of the Board or any one that ~~that~~ the Department got anything beyond the work and material in place, just as



Springman left it; that is, one-half the contract performed as Williamson swore. To make quite sure, I have gone over all Williamson's evidence. He is a very alert man, but he does not suggest that the \$19,950 was reduced by taking over material, obtained by the Department, and Springman clearly seeing the importance, as he evidently did, of showing that the loss was not as great as it appeared, would have said so yet if it was so. I must therefore take it that I can rely upon the figures given me by the Department as the only figures that enter into the computation.

Springman was very hard run. His creditors were urgent, The Vokes Hardware Company was one of them. The Department evidently went on paying on the basis of values as they were in 1916 and 1917. I would think even beyond that. The money was given reluctantly; Mr. Belfry refused once or twice, on other occasions cut down the amount applied for. Two of the sums refused by Belfry were afterwards passed by Mr. Waste. As to one of these, it is said that in the meantime conditions changed. Mr. Miles Vokes who as Chairman of the Finance Committee "scrutinized everything" signed the Progress Certificates during 1916. Of course he would not have an opportunity of inspecting the building or be expected to inspect it. In 1917 Mr. Vokes became Chairman of the Board. Beginning on 22nd September 1916, the cheques were made payable to the Canadian Bank of Commerce, as I have said, no doubt owing to some arrangement with creditors. This would be notice to the Department to be careful. In spring of 1917, the Vokes Company obtained orders on the Board in advance. On the 12th of April 1917, for instance, \$600.00 and the 3rd of May \$800.00; in both "Please pay to the order of The Vokes Hardware Company, Ltd., etc", "out of my next draw". At all events this tottering contractor was propped up months after he had become hopelessly embarrassed, and allowed to draw on the Department until he or his creditors in his name had



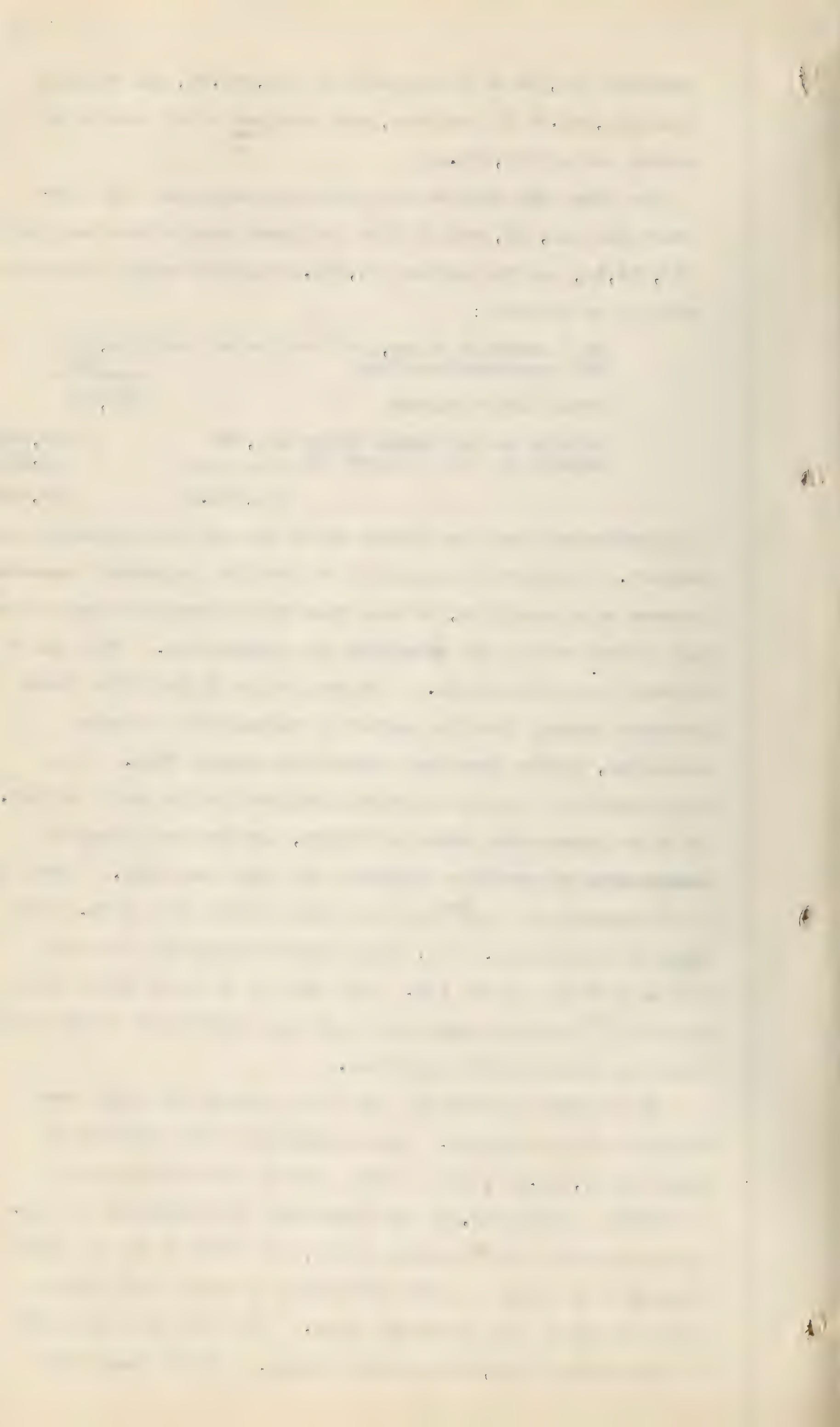
obtained \$18,700 on a contract for \$28,950.00, and which it took \$19,950.00 to complete, and involved ^{my} a net loss as it worked out of \$12,700.00

The total sum that should have been paid upon this contract was \$14,775, and of this Springman should have been paid \$12,555.75, and the balance \$2,116.25 divided among lien holders made up as follows :

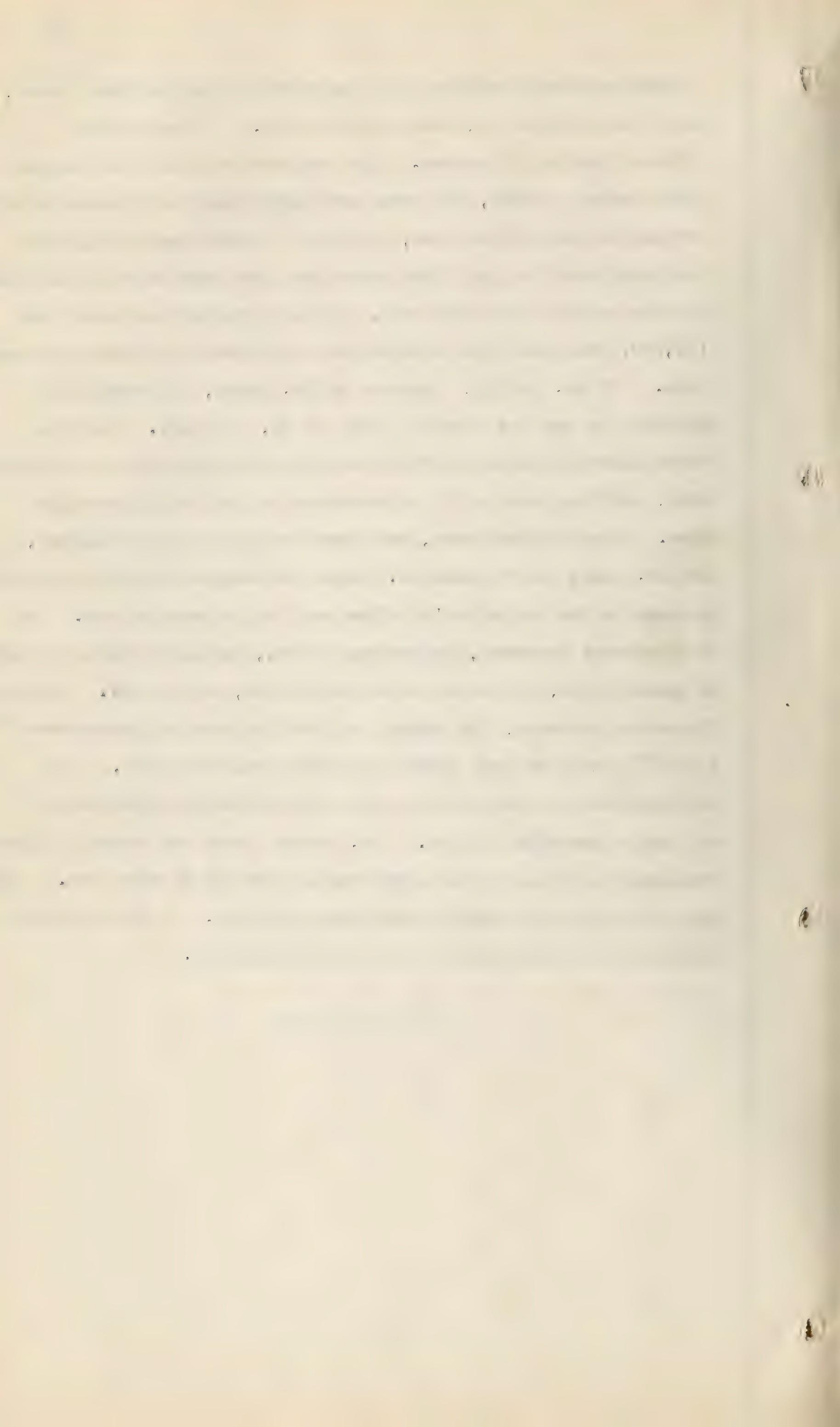
By $\frac{1}{2}$ contract price, $\frac{1}{2}$ of work being done	\$14,475
Add approximate extras	<u>300</u>
Total amount earned	\$14,775
Payable to Springman 85% of \$14,775	\$12,558.75
Payable to lien holders 15% <u> </u>	<u>2,216.25</u>
	\$14,775.00
	\$14,775.00

I am satisfied that the figures above set out are substantially correct. The result appears to be that the Department ~~appears~~ to have paid nearly \$4,000 more than should have been paid at all, and without making any provision for lienholders. This was a blunder if nothing worse. The projection of the Miles Vokes Hardware Company into the matter is calculated to arouse suspicion, but the Department could not prevent this. I do not think that I should infer any indirect motive and I do not. It is an undesirable state of things, and how far it has an ~~undesirable~~ unconscious influence one never can tell. There is no evidence that I ^{call} ~~read~~ that the Vokes orders were paid. That makes no difference. Mr. Miles Vokes' company was the most active creditor of the lot. Let the law be as it will, there are many ^{men,} I am glad to say, who would have refused to occupy this dual and irreconcilable position.

It is ~~more~~ unfortunate, but in my opinion the final step was more than a blunder. The lienholders were entitled to share in \$2,221.25, and no more, 15% of the work actually performed, not the \$3,300 the Department was compelled to pay. The Department paid the extra \$1000, and added it to the \$6000 already lost so as to avoid publicity, to cover up a blunder, very much as in the Phinnemore case. They had paid Springman on the basis of \$22,000 actually earned. It was impossible



to take another position later on with the "Eagle Eyed Press", as it is referred to, ever on the alert. It required a little figuring of course. By a generous estimate for extras, \$300 instead of \$56, and some trifling things not thought worth estimating until that time, it worked out mathematically that the Department had paid Springman the last cent he was entitled to draw and not one cent more, and had retained the exact sum (\$3,300) that the lien holders were entitled to and not one cent less. If Mr. Belfry, inspired by Mr. Waste, believes this now that he has had time to think of it, I do not. All the Vokes Hardware Company got out of this final division was about \$964, but they were a bit unfortunate or they would have got more. They claimed more, but there were other lien holders, and Mr. Waste had to send Mr. Cooper to examine Park School and go down to the Solicitor's office and try to work it out. As to the rough hardware, Cooper was at sea, he had no data, he had to guess at it, and he could do not better, as he said. As to finishing hardware, the Company claimed to have delivered ~~about~~ \$180 ~~or~~ worth at Park School and 1000 pounds of glue. The building had not reached the stage for finishing hardware or any large quantity of glue. Mr. Cooper found one quart of glue, evidently delivered to some workman on the job by some one. There was not one cents worth of finishing hardware. I have sufficiently indicated my conclusions as to this transaction.

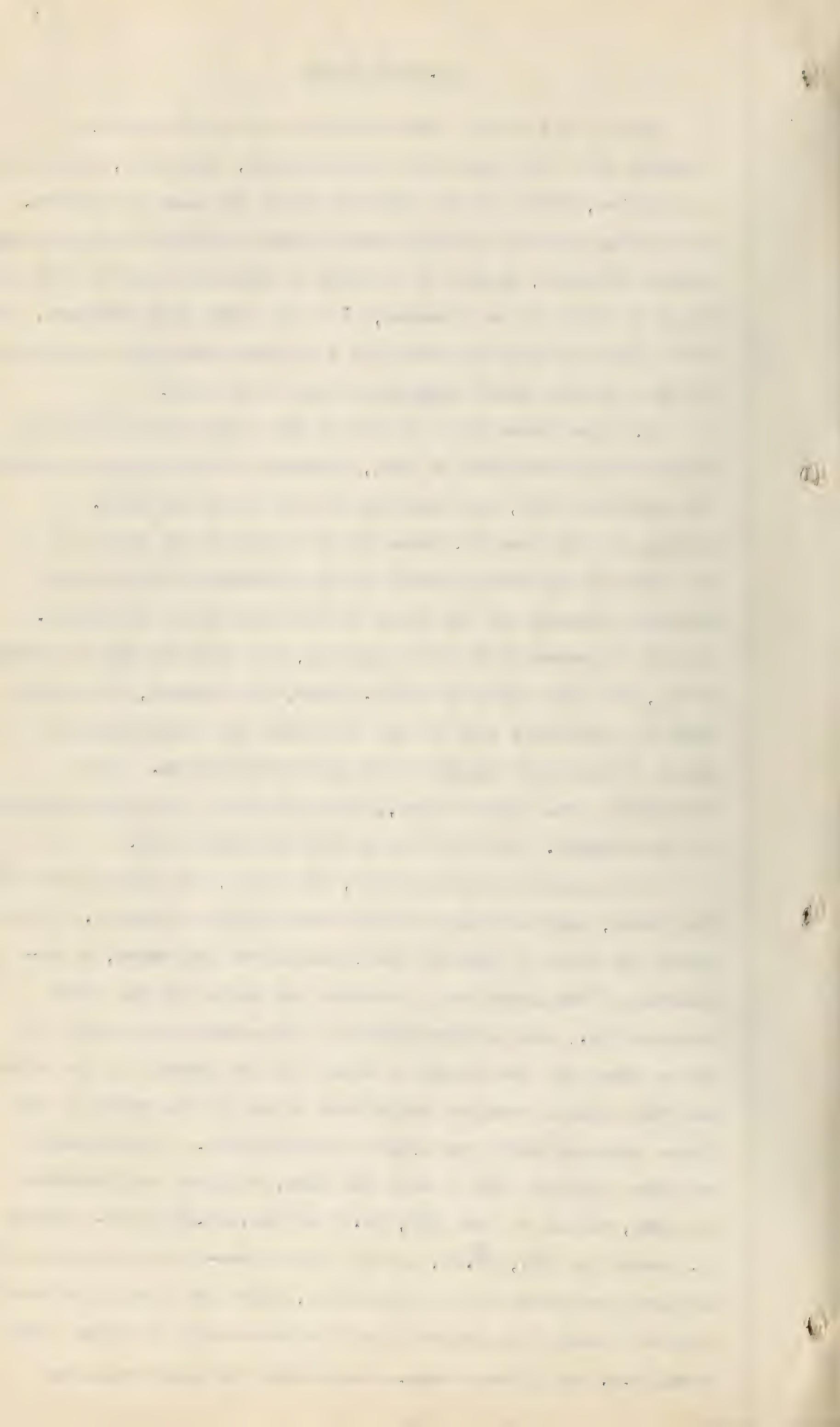


MR. MILES VOKES

Section 119 of the Public Schools Act enacts that : A trustee shall not enter into any contract, agreement, engagement or promise, either in his own name or in the name of another, and either alone or jointly with another in which he has any pecuniary interest, profit or promised or expected benefit with the board of which he is a member, * * * and every such contract, etc. * * * shall be null and void and a trustee violating the provisions of this section shall ipso facto vacate his seat.

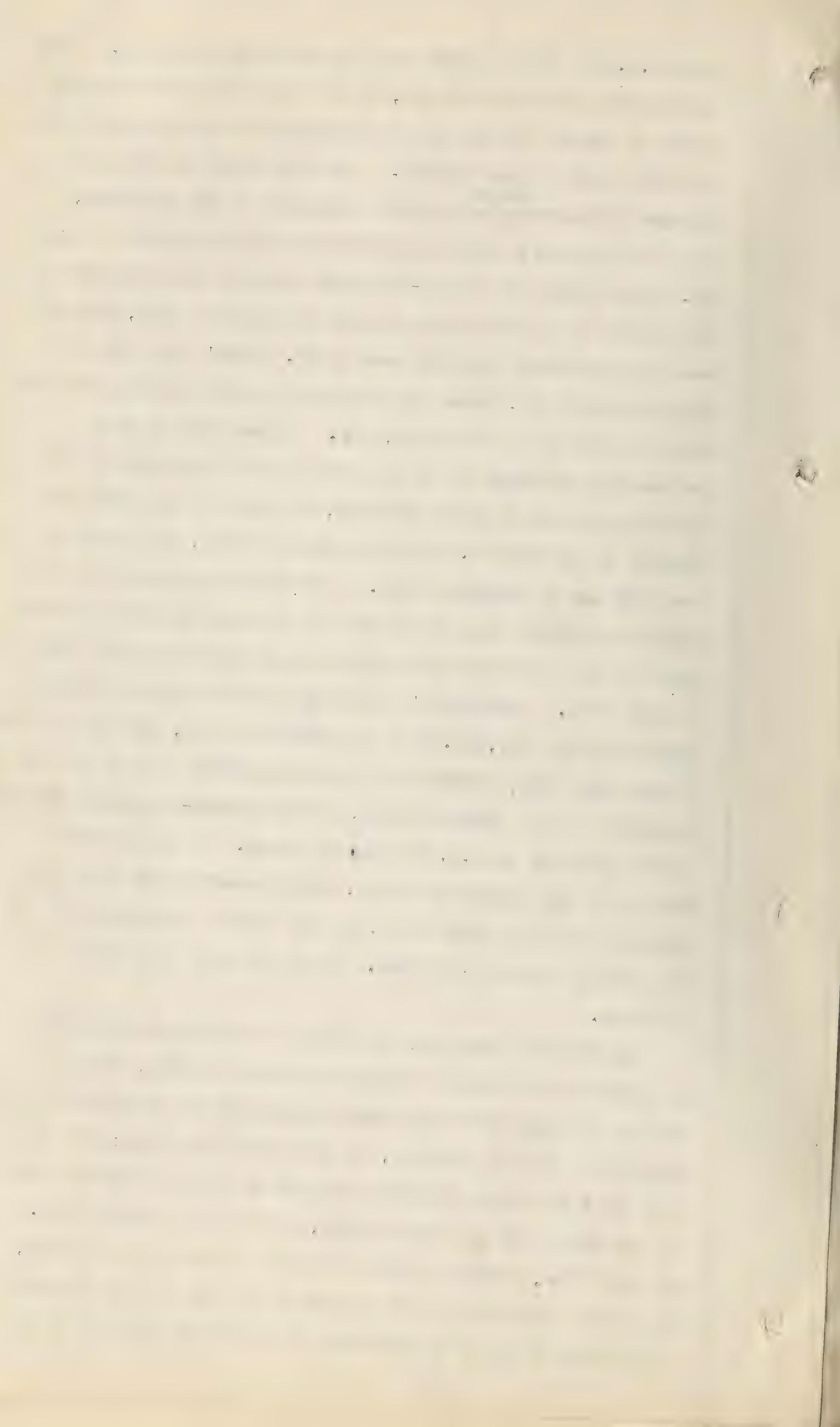
Mr. Miles Vokes was a member of the Board of Education and of the Property Committee in 1914, Chairman of the Property Committee for 1915 and 1916, and Chairman for the Board for 1917. During all the time Mr. Vokes was a member of the Board and at the time of the investigation he was President of the Vokes Hardware Company and the owner of at least 90% of the stock. He was not asked to be more specific, but from the way he spoke of it, and what was said by Mr. Starr, his counsel, I am quite safe in concluding that he was in effect the company and the owner of the stock except a few qualifying shares. His second son, Mr. Oliver Vokes, was during these four years manager of the Company. He was born on the 30th June 1885.

In the years preceding 1914, the Board, and contractors of the Board, were customers of the Vokes Hardware Company. In or about the month of January 1912, Mackintosh Hutchesson, a contractor of the Board and a customer and debtor of the Vokes Hardware Co., made an assignment of his estate and effects to Miles Vokes and two others in trust for the payment of his debts; and this estate remained undisposed of and in the hands of the three trustees until the 14th of October 1912. An agreement was then entered into to sell the land, on Queen and Sydenham Streets, valued at from \$25,000.00 to \$30,000.00 to Dr. Gilmour J. Steele for \$17,200.00, and he thereupon---as he had previously arranged---entered into an agreement, dated the 18th of October 1912 to convey this property for the same amount to Miles Vokes' sons, F.P. and Oliver Vokes. Consideration money would be



sons F.P. and Oliver Vokes for the same consideration. Both agreements provided that \$13,200 of the consideration money would be met by the giving or assumption of a mortgage to the Dominion Bank of that amount. At that time and when the ~~scheme~~ ^{scheme} ~~sickaged~~ partnership/hereinafter referred to was arranged, Oliver Vokes was a lad of a little over twenty years of age. Mr. Miles Vokes and his co-trustees conveyed the property to Dr. Steele by a deed dated the 1st of November 1912, but it was not registered and the deed to Mr. Vokes' sons was not executed until Mr. Vokes had obtained a survey of the property and inquired as to the title, etc. A Declaration of a partnership business to be carried on under the name of The British American Hardware Company, and said to be owned and carried on by Frank P. Vokes and Oliver Vokes, was filed on the 18th day of December 1912. The name was changed to The Canadian Hardware Company on the 1st of January 1916 and this again to The Toronto Lock Manufacturing Company on the 12th of July 1916. Hutcheson's trustees joined in guaranteeing payment of the \$13,200.00 to the Dominion Bank, and on the 27th of February 1913, pursuant to the arrangement come to at the inception of the transaction Dr. Steele ~~conveye~~ executed a deed of the property to F.P. and Oliver Vokes. I do not know whether it was disclosed to Mr. Vokes' co-trustees that what purported to be a sale to Dr. Steele was in reality a sale to the sons of their co-trustee. It is not said that they were informed.

The British American, if indeed it traded at all, made no sales to the Board of Education prior to 1914, that is during the time Vokes Hardware Company had an undoubted right, morally as well as legally, to deal with the Board; and as I have said The Vokes Hardware Company up to that time was selling to the Board and its contractors, as it had a right to do. At this time, whether before election or not I do not know, Mr. Miles Vokes took legal advice as to how far his company could legally go in making sales to the Board and its contractors



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and

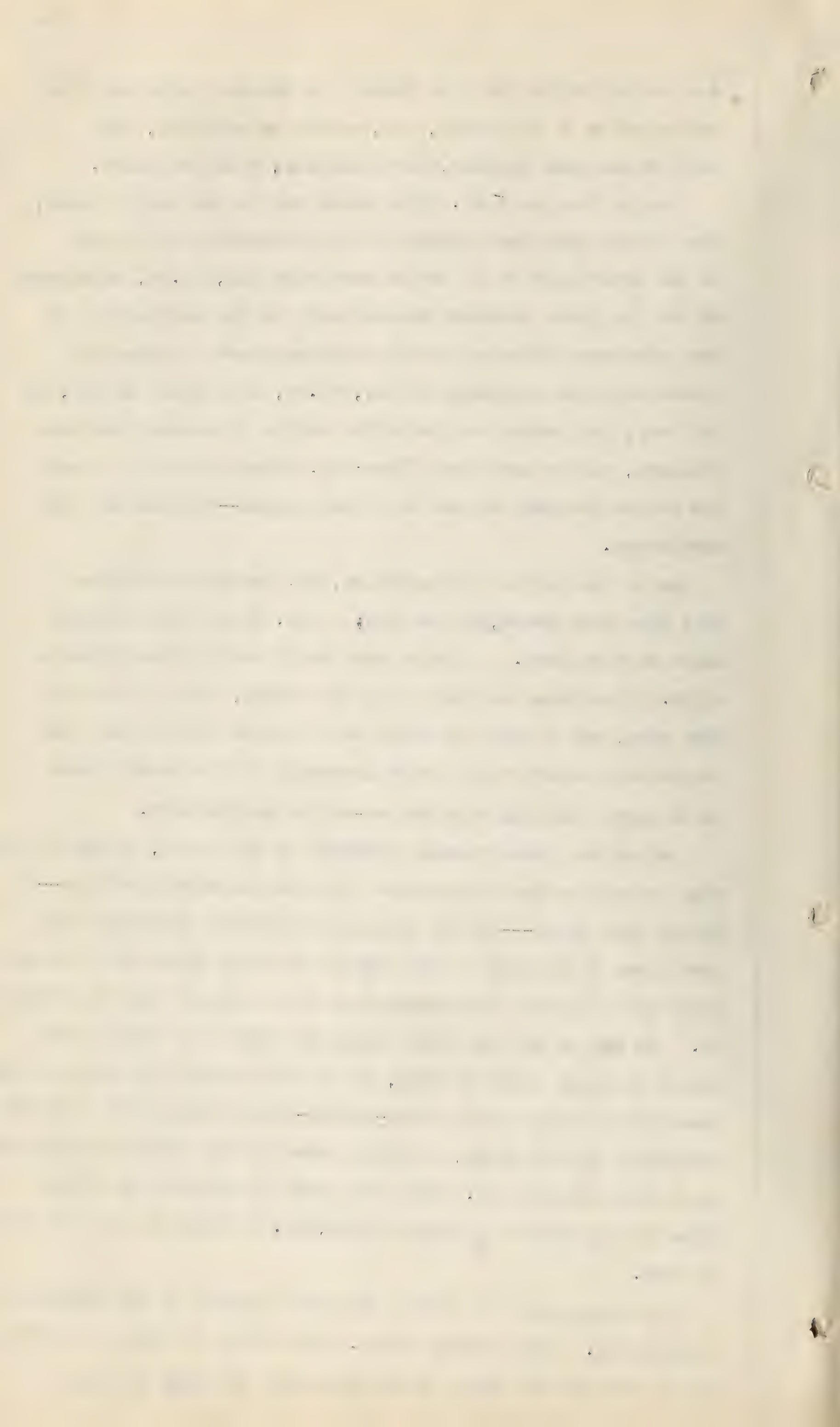
thereafter during the four years, his company refrained from making sales to the Board, and, as far as possible, the British American Company, its successors, took its place.

During the years Mr. Miles Vokes was on the School Board, The British American Company and its successors sold goods to the Department to an amount exceeding \$16,000.00, or ~~xx~~^{xxxxx} and the Vokes Hardware Company sold to the contractors of the Department, under a "double shuffle" clauseⁱⁿ in carpentry contracts, goods amounting to \$17,000.00, or a total of \$33,000. In a way, the method adopted after advice of counsel had been obtained, was an excellent ^{one} ~~clue~~; Mr. Vokes was able to guard the public interest at the two vital points--the sale and the settlement.

As to the various partnerships, Mr. Dennison submitted that they were shams, one and all, — Mr. Miles Vokes trading under another name. I have read every word of the evidence of Mr. Miles Vokes and his son Oliver Vokes, some of it more than once, and I think it would be a mistake to conclude that the primary object was to take advantage of the School Board or of anyone dealing with the so-called partnership.

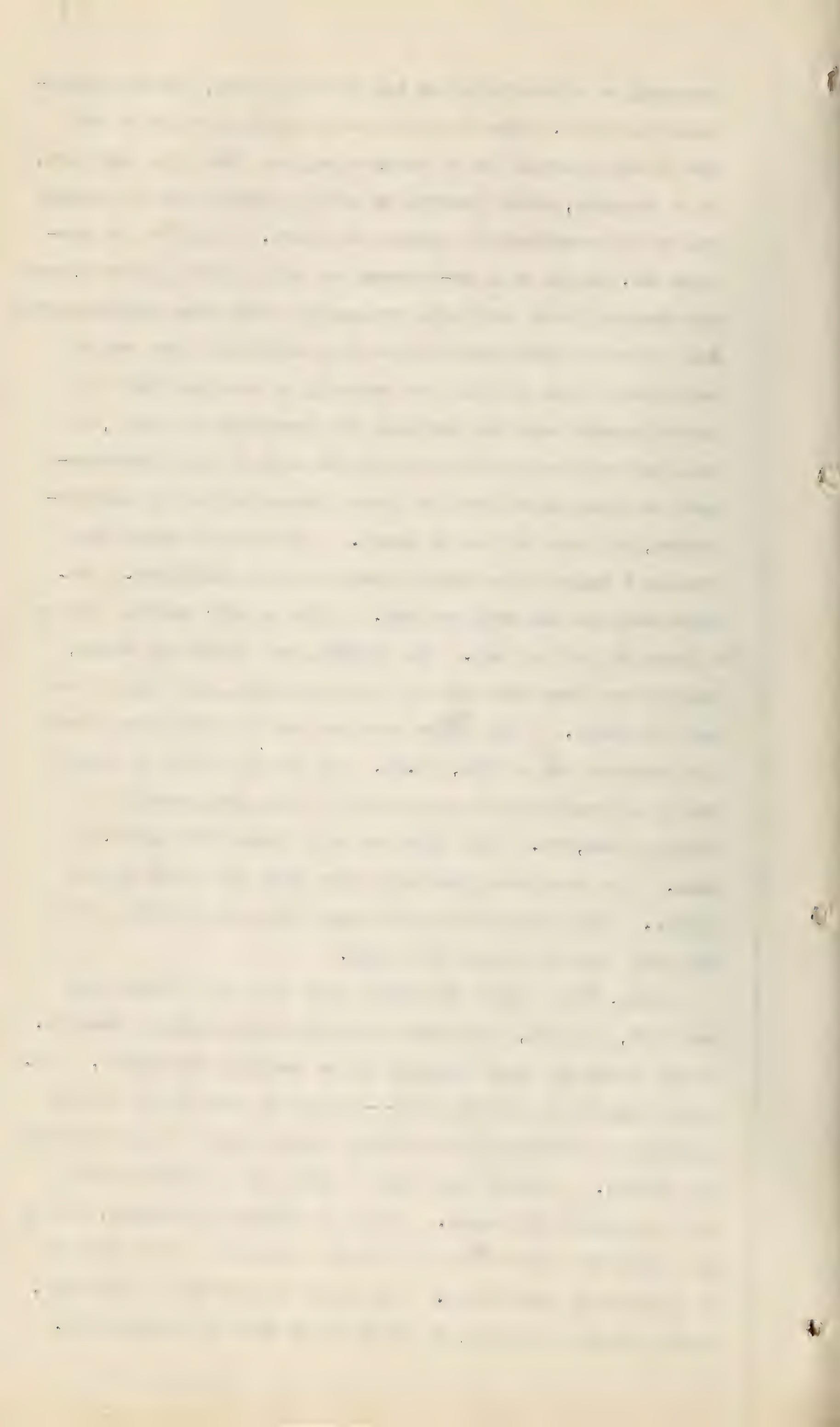
Before Mr. Vokes became a member of the Board, he was in the City Council or was a candidate for some municipal position—I am not sure which---and it is almost universal knowledge that once a man is smitten in this way he is never cured until he has found out by actual experience that it is not all that he dreamt of. He may or may not have turned his eyes to a seat on the School Board as early as 1912; but at all events this was not the fundamental cause of the Vokes-Steele-Vokes transaction with its incidental partnerships, although later on the conditions initiated in 1912 afforded Mr. Vokes the means of covering up direct sales to the Board amounting to \$16,000.00 which he dare not openly avow.

The scheme had its origin and chief impulse in the Hutchinson trusteeship; + the ability of Mr. Miles Vokes to size up profits, and to realize the value of the Queen and Sydenham Streets



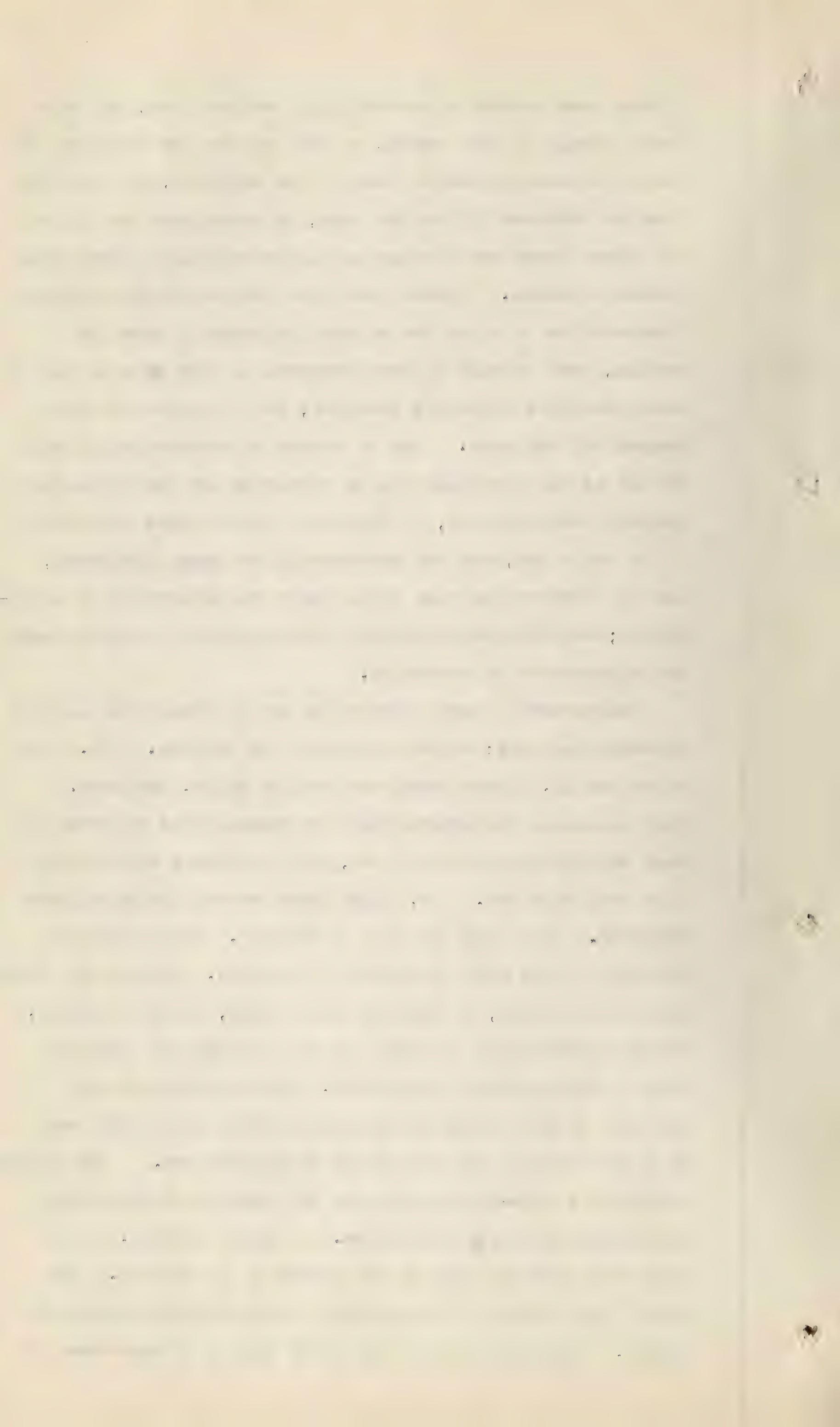
property as a manufacturing and building site; and the determination of Mr. Vokes to obtain a property of which he was one of the trustees at an undervalue, and this in a way that, as he thought, would prevent an action against him by Hutchinson or his creditors for breach of trust. This is why he procured Dr. Steele as a go-between and this is why I have traced the steps of this intricate transaction with some particularity. And it is not irrelevant to add that although there was an ostensible offer to sell the property by auction that the advertisement made the chattels the prominent feature, the real property was referred to at the last of the advertisement in a way calculated to divert the attention of manufacturers, builders or men of means. It was not shewn that even as a sale of chattels it was properly published. Mr. Vokes said he had seen posters. This is all; whether two or a dozen he did not say. He thought, but would not swear, that it had been published in the newspapers, but that it was not shewn. The three trustees and the solicitor fixed the reserved bid at \$25,000.00. It was valued at a higher sum by a competent man at the date of the assignment, I think at \$30,000. The trustees paid themselves \$1100.00 each. The creditors generally were paid $52\frac{1}{2}$ cents on the dollar. The Vokes Hardware Company was paid in full, this may have been by reason of a lien.

If Mr. Miles Vokes has other sons they are younger and were not, in 1912, connected with The Vokes Hardware Company. Oliver Vokes had been trained in the business for years. Mr. Vokes says he is getting lazy---trying to get out of direct contact, and limiting his activity pretty much to consultations and advice. Oliver has been in name and in fact Manager of the Company for years. It is an enormous business, and as Mr. Vokes was the builder of his own fortune I infer that it is singularly profitable. He would be looking to his sons, Frank and Oliver Vokes, to carry it on when he dropped out.



I have come enough in contact with business men, and have heard enough in the Courts, to tell me how the ambition to have his sons succeed to what he has built up, and carry on the old business in the old name, is woven into the fibre of almost every man who has had an exceptionally successful business career. Aside then from the peculiarly dubious transactions to which the alleged partnership owes its origin, what is said to have occurred in this case is hardly what one would naturally look for, but of course it might happen all the same. And of course it matters not at all so far as the investigation is concerned how the Hutchinson property was acquired, if Frank and Oliver Vokes purchased it as their own, and the partnership was bona fide formed, and the business carried on as their own enterprise or undertaking; and this whether their father assisted them by loans or endorsements or otherwise.

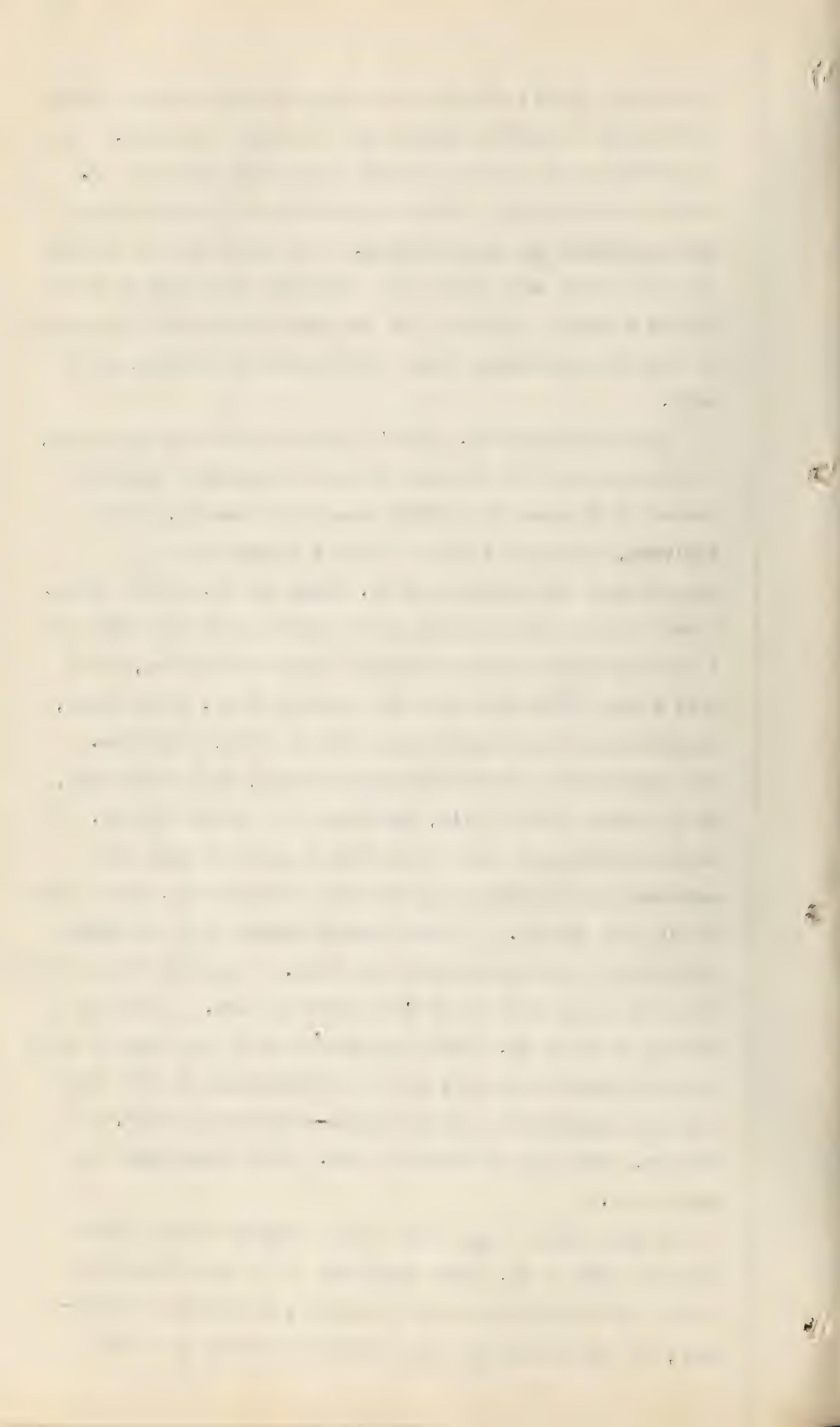
The matters I have referred to are in themselves matters of suspicion only; alone they count for nothing. Mr. Miles Vokes and Mr. Oliver Vokes were called by Mr. Dennison. They contended throughout that the transactions referred to were what they purported to be; their evidence established that they were not. Mr. Miles Vokes wanted the Hutchinson property. He could not sell to himself. If he conveyed directly to his sons he invited a law suit. Taking the transaction as a whole, it was not only a sham, it was a scheme. The partnership was evidently an afterthought or incident when it was realized that for Mr. Vokes to carry on the business on the Hutchinson premises either in his own name or in the name of his firm would be injudicious. The solemn jugglery of book-keeping was for the purpose of keeping up appearances and as a precaution. It meant nothing. The money was worth as much in one pocket as in another. Mr. Miles Vokes figured in everything except perhaps matters of detail. Originally there may have been no thought then of



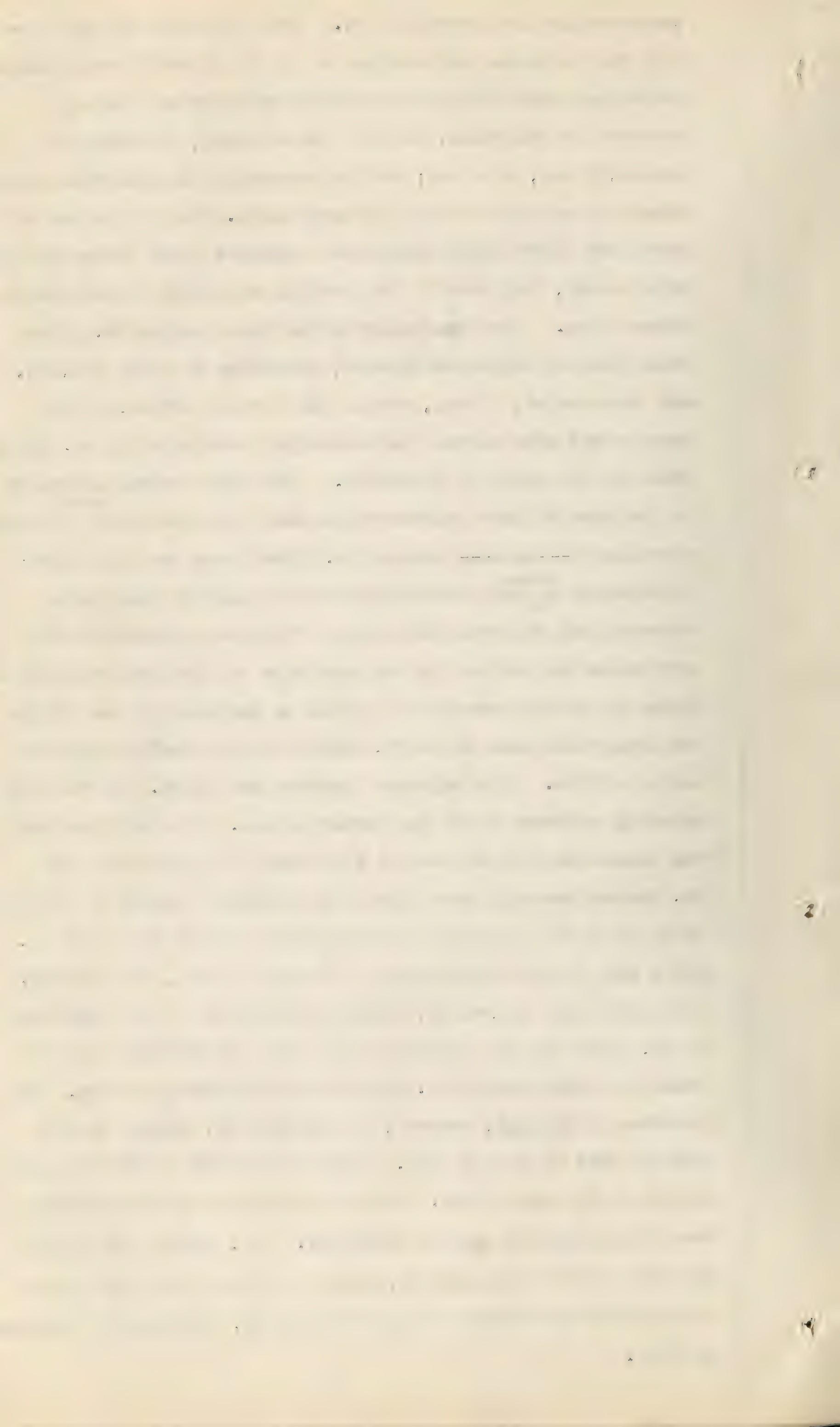
the School Board, but when the occasion arose he used this subterfuge to further advance his personal interests. On one occasion he signed a cheque as attorney for Frank P. Vokes, intended as a deposit on a tender to the Department, but the deposit was made in cash. The accounts and tenders of these firms came before the Property Committee of which he was a member, and ^{of} which he was Chairman for two years, and he says he scrutinized them; scrutinized everything, as he says.

In referring to Mr. Brown's letter earlier in my report, I intimated that in the case of one contractor I might be compelled to speak in harsher terms even than Mr. Brown employed, and at that stage I feared I would have to comment upon the evidence of Mr. Vokes and Mr. Oliver Vokes. I had not read this portion of the evidence at that time and I had not studdied this matter as I have done since, and I have since looked back over the history of Mr. Miles Vokes, as Trustee and Contractor from 1914 to 1917, inclusive. The recollection of the Springman account, just dealt with, is of course pretty vivid, and there are others like it. It is gratifying to me to find that I need not make one unfavourable comment on the evidence of either Mr. Miles Vokes or his son Oliver. I have availed myself of my undoubted privilege of reading between the lines. I accept this evidence--the whole frame work of it from first to last. I am not at liberty to adopt Mr. Vokes interpretation of its meaning where it conflicts with my own; and it is ^{also} gratifying to find that I am not compelled to use any harsher language, either as to what Mr. Vokes did or omitted to do. The facts speak for themselves.

On the facts, I have come to the conclusion and report that the sons of Mr. Miles Vokes had not at any time down to the end of 1917 any actual interest, pecuniary or otherwise, in the British American Hardware Company or in the



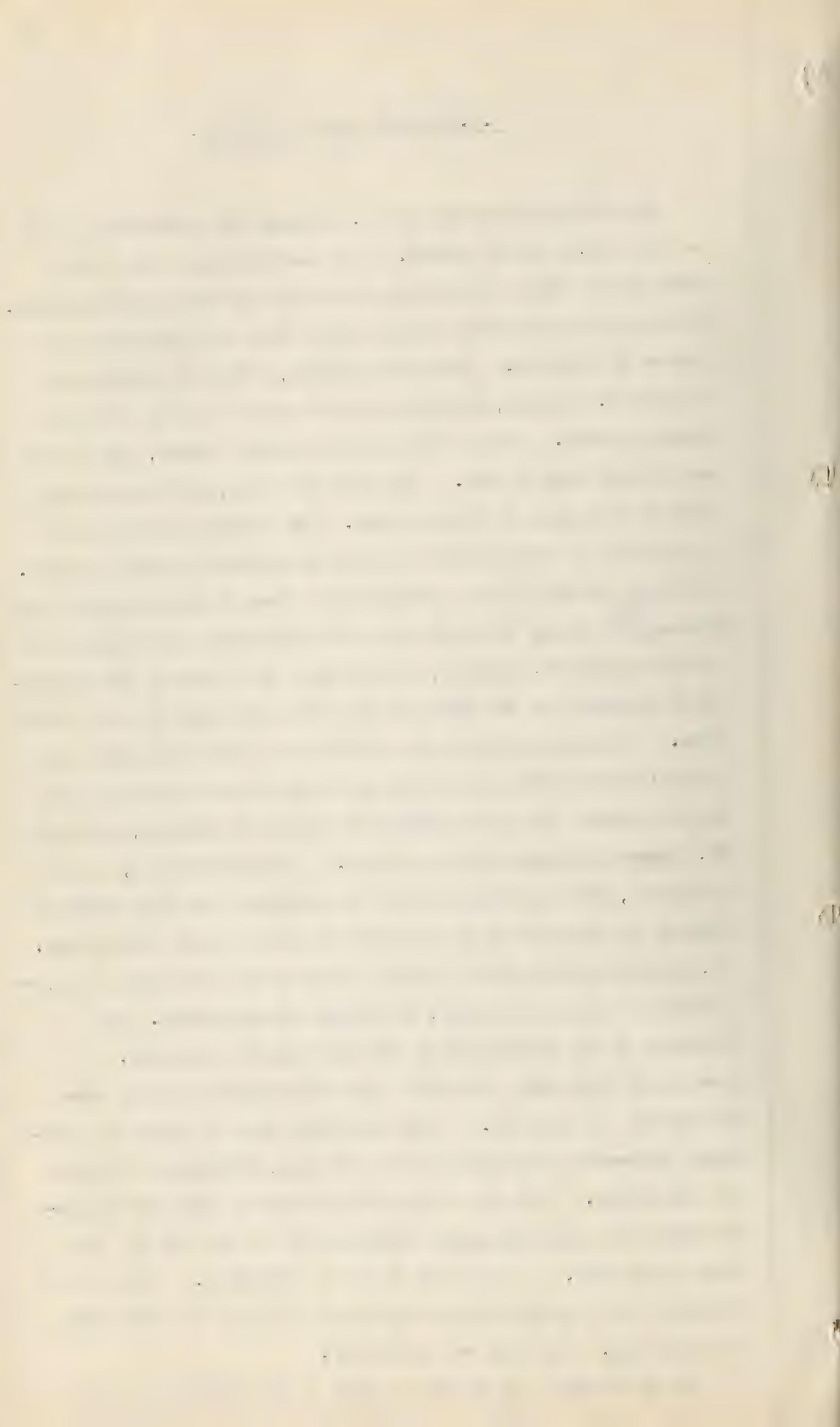
partnerships that succeeded it. That the original partnership was initiated and carried on by Mr. Miles Vokes as his own individual undertaking and business, with his own funds, borrowed or otherwise, and all the earnings, profits and losses, if any, were his; and the succeeding partnerships were owned and carried on upon the same basis. That in so far as Frank and Oliver Vokes transacted business under these partnership names, they were in fact acting as agents of and for Mr. Miles Vokes. That the sales to the Board during Mr. Miles Vokes term of office as trustee, amounting to about \$16,000, and other sales, if any, during his term of office, in the name of the said several partnerships, were sales by Mr. Miles Vokes to the Board of Education. That the several contracts in the name of these partnerships were with the Board ^{were} in effect contracts ~~in-the-name~~ between Mr. Miles Vokes and the Board; he expected to ^{obtain} and obtained profit and benefit from these transactions, and they were all, at the time, contrary to the provisions and subject to the penalties of the Act above set out. There is nothing specific to inform me how much or how little the Department knew about Mr. Vokes' sons or these doings as early as 1914. The Fairburn incident was later. It was only causally referred to at the investigation. I do not know what was discussed or disclosed at that time. In a general way Mr. Bishop knew all about the Vokes Hardware Company in 1914 as fully as he did after the investigation, and he knew that Mr. Vokes was to all appearances, as he was in fact, the Company. I did not like the way Mr. Bishop answered as to his knowledge of Mr. Vokes and his company, but I have not allowed this to shake my confidence in Mr. Bishop's statements generally. The trouble all through, however, is not what Mr. Bishop said so much as what he did not say. He knew so little about the actual doings of the Department. He never attempted to be specific; it was all general and mainly theoretic. Dr. Steele had nothing at stake in this transaction, except his good name; if he has not suffered in repute he has lost nothing. He became a trustee in 1914.



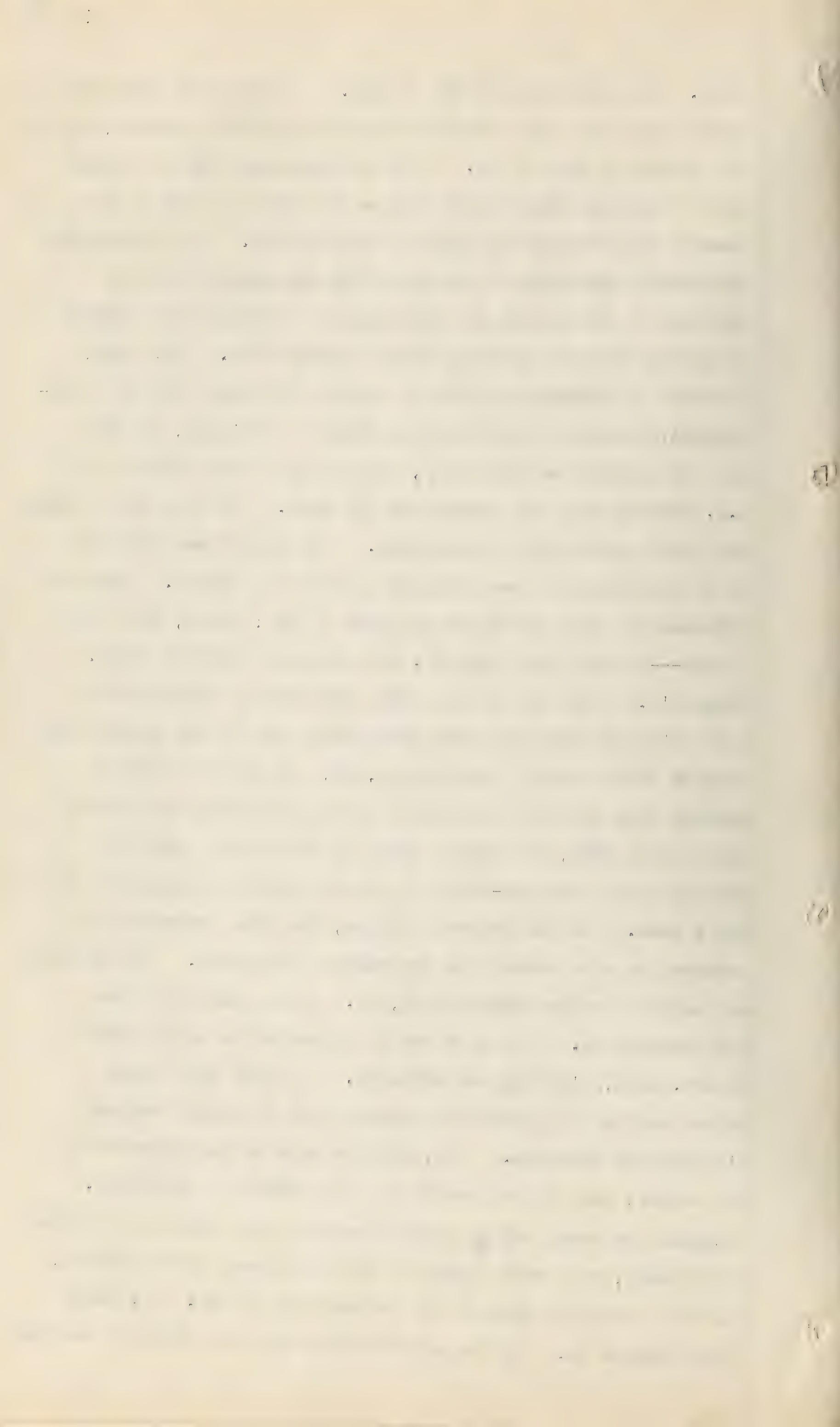
W.W.HODGSON, and his Family.

My apologies are due to Mr. Hodgson for referring to him at this stage of my report. His dealings with the Board seem meagre when set side by side with the Vokes transactions. However, the Department expends large sums of money for day labour in grading. Clarence Hodgson, a son of Ex-trustee William W. Hodgson, was paid a great deal of money for this class of work. At one time he had several teams, and in the end he got down to two. The work was done, and the account kept in the name of John Canning. Mr Hodgson says this was "a matter of convenience", and he is perhaps literally right. Clarence was out of the country for a long time and during his ^{all} absence/the money received from the Department was handed over by Canning to Mr. Hodgson, and he used it in paying the expenses of carrying on the work; and he gave a small sum to his son's wife. Clarence Hodgson was indebted to his father, and his chattels were mortgaged to him, and I am of opinion that this was the reason for this roundabout method of dealing, although Mr. Hodgson assigned other reasons. The expectation, I am satisfied, was that there would be a surplus and this would be applied in liquidation of the debt from the son to the father. Mr. Hodgson admits that it was a thing he did not like to do,--- I think it was a thing that he should not have done. As Chairman of the Committees he was passing the accounts. He knew as he says that "Canning" meant "Hodgson", but the Committee did not know it. I am satisfied that he hoped for personal gain---the reduction of his account, although it turned out otherwise. It was very much the same as personally contracting with the Board and concealing it by the use of the name of Canning. I think it is to be condemned. There is no evidence that the Department was aware of it or had the means of discovery. No loss was sustained.

The Department had gravel to sell on the Carleton School



site. An advertisement was issued. I understand that this would come under the official supervision of Mr. Hodgson, and at all events he knew of it. The advertisement was so worded that it was as liable to be read as an offer of work in the removal of gravel, as an offer to sell gravel. The subsequent memorandum submitted to the Committee was obscure too, it was open to being read as referring to a contract for removal of gravel from the Carleton Street School site. Mr. Bell, a nephew of Hodgson's, a man of varied callings, and, as he indicated, capable of handling any class of business, but who had not accumulated any money, brought it to the attention of C.E. Bachley that the gravel was for sale. He does not, I think, say how he gained his information. The gravel was examined by an expert and it was arranged to put in a tender. Bachley volunteered, when asked how he heard of it : "Well, the first I knew---I never knew that Mr. Bell was any relation of Mr. Hodgson's." Why did he say this, what was he thinking of? A Mr. O'Reilly came into the transaction and it was agreed that Bachley would tender offering \$1,060, and without knowing whether they would be successful or not, O'Reilly and Bachley each put up \$530, and agreed that they would "take care of" Bell by giving him one-third of the profits and employment at \$18 a week. In the printed minutes, too, the transaction is referred to as a tender for the removal of gravel. The profits are said to be from \$2500 to \$3,000. Here again an alias was resorted to. The partnership agreement is in the name of Mrs. Bell, O'Reilly and Batchley. I think this looks rather bad for all parties connected with it except perhaps O'Reilly and Batchley. Mr. Hodgson said he was innocent in the matter, and did not assist Bell by notice or otherwise. Why was the money put up without waiting for regular acceptance Mr. Bishop, from what I know of the management of the office, was not likely to know of the transaction at all. Mr. Waste would handle it. If the advertisement and the official records

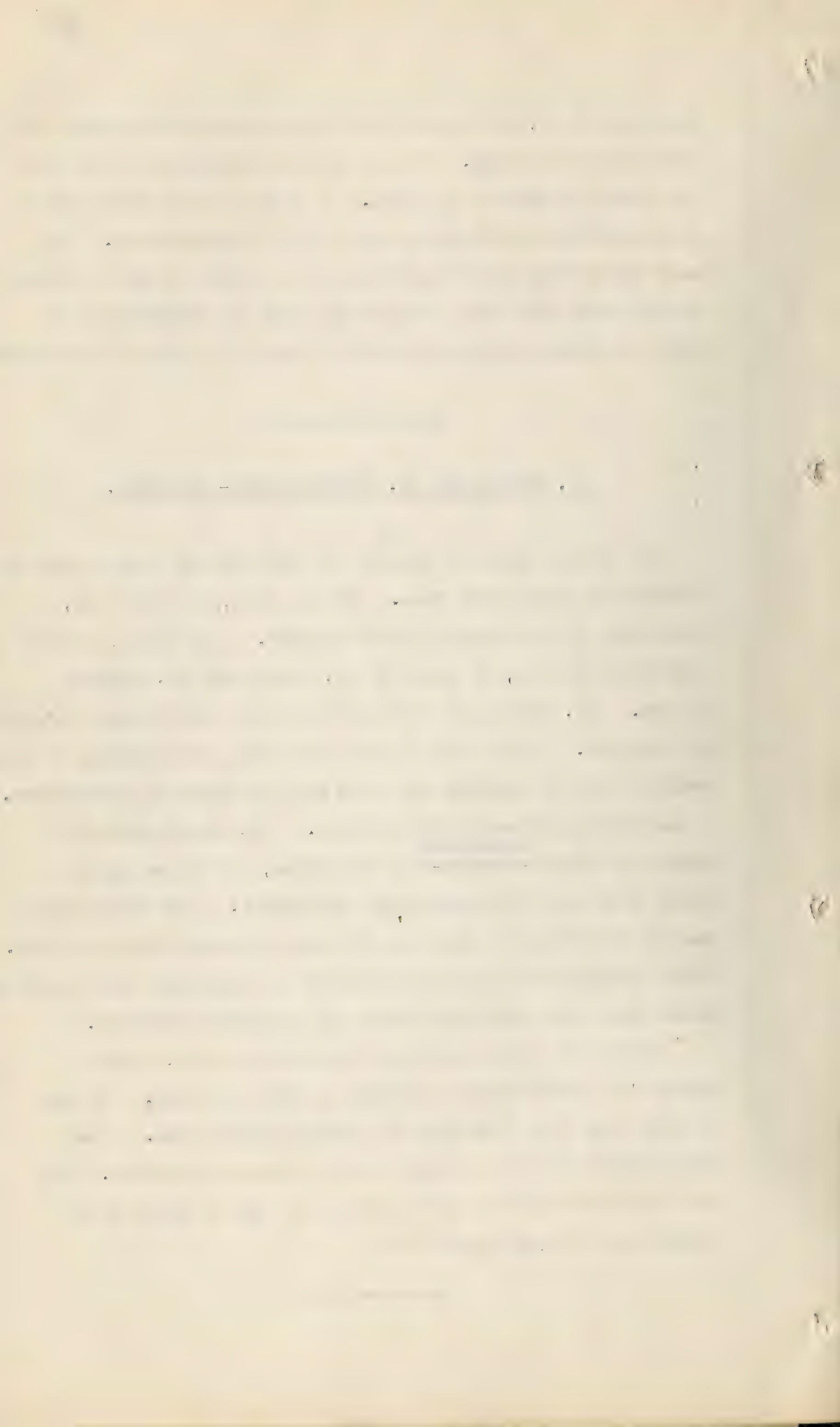


had been clear, the low selling price would not be matter for unfavourable comment. I read the advertisement at the time and need not look at it again. I find it quite difficult to conclude that it was worded as it is by inadvertence. The most favourable view I can take of it is that it was a blunder which should not have occurred and that the probability is that the gravel would have sold for more if properly advertized

DR. STEELE AND MR. GEORGE OAKLEY - TRUSTEES.

Dr. Steele became a trustee in 1914 and has been a trustee continually since that time. He was then, and still is, President of the Standard Brick Company. The stock, except qualifying shares, is owned by Dr. Steele and Mr. Charles Bulley. Mr. Bulley was examined and gave his evidence frankly and clearly. Since 1914 as well as before, the company in the ordinary way of business has been selling brick to contractors. I see nothing objectionable in this. Dr. Steele does not appear to have interviewed in the sales, but if he had it would still have been perfectly legitimate. The school Board was not concerned in where or how the contractor got the brick. These transactions are quite distinct in principle from supplying goods under the carpentry clause for finishing hardware.

Neither do I see anything to criticise in Mr. George Oakley's conduct while a trustee in 1915 and 1916. He was at that time Vice President of George Oakley & Son. The company sold two lots of cut stone to school contracts. They had a right to do this and I cannot see how it could have prejudiced the public interest.



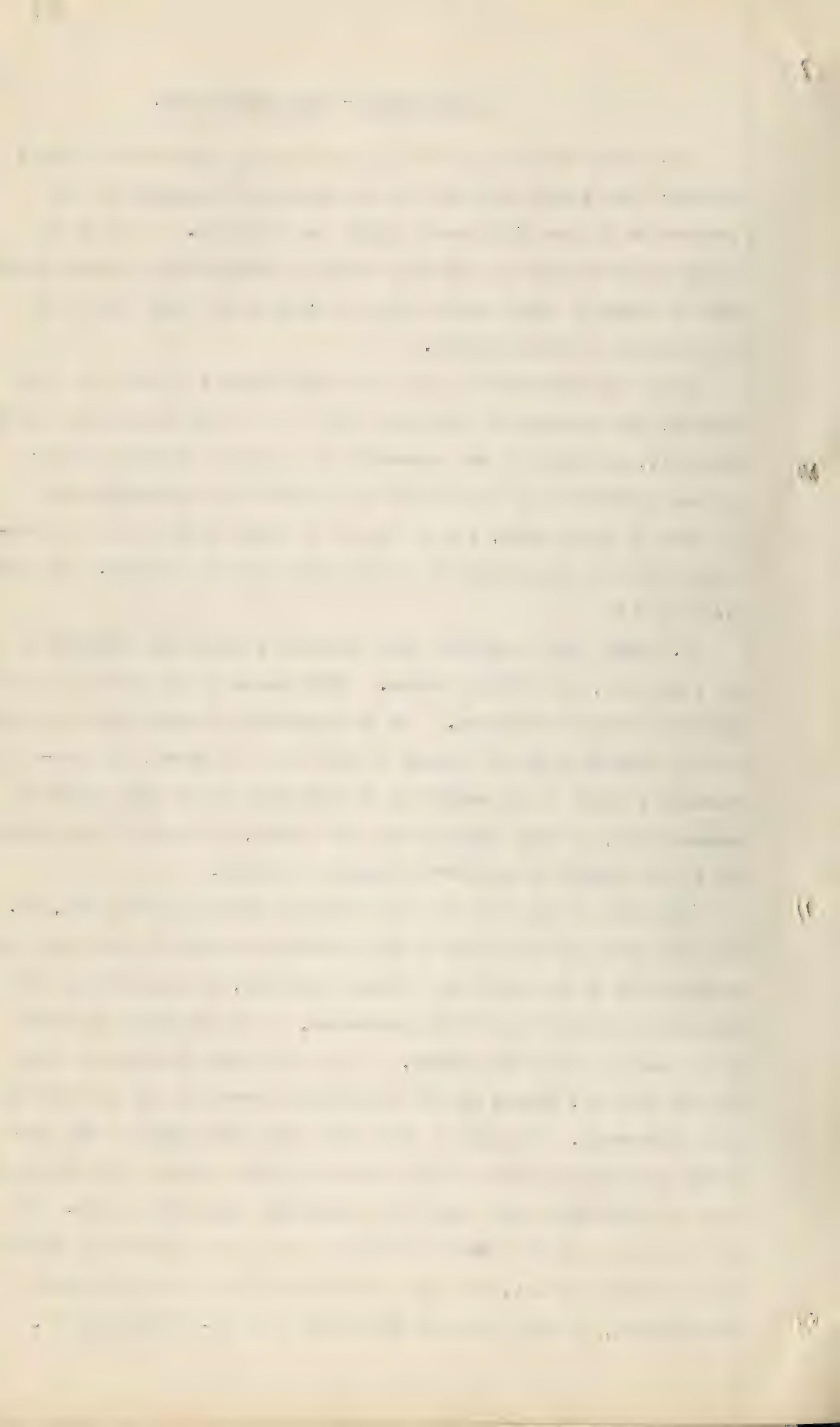
PARK SCHOOL - THE FOUNDATIONS.

Mr. Waste admitted that it is exceedingly important to avoid extras; they always run into an expenditure altogether out of proportion to the fixed costs under the contract. I think it would be quite safe to say that when the extra runs into any large sum of money it costs quite twice as much as it would have cost if included in the contract.

After the excavations had been pretty much all made for Park School, the contractor discovered that at certain points the earth was soft, and that it was necessary to go down a greater depth; he was allowed to go on without any contract or arrangement as to what it would cost, and as far as is shown without any instructions from the Department as to just what was to be done. It cost \$6,627.00

H. Lucas & Son rendered their account without any details so far as I can see, and without dates. This seems to be quite a common practice with contractors. It is impossible to see how an account can be checked over and tested if there are no dates, and particularly where it is summed up in each case as so many hours of excavation, so many hours of men and teams, without any particulars as to the number of men or the number of teams.

The cost of the site in this case was something over \$64,000. If test pits had been sunk or any precaution taken to ascertain the suitability of the site for a large building, it is probable that the site would not have been purchased, or if purchased it would have been at a reduced figure. I do not think it would be fair to say that Mr. Bishop was to be severely censured for not making this discovery. It may be that there were buildings on the property or something that would prevent a proper test; I would judge from the evidence that there were buildings upon some of it. But the condition of the foundation should have been discovered before the contract was let, and the condition of the site having been ascertained, it was certainly incumbent upon Mr. Bishop and Mr.



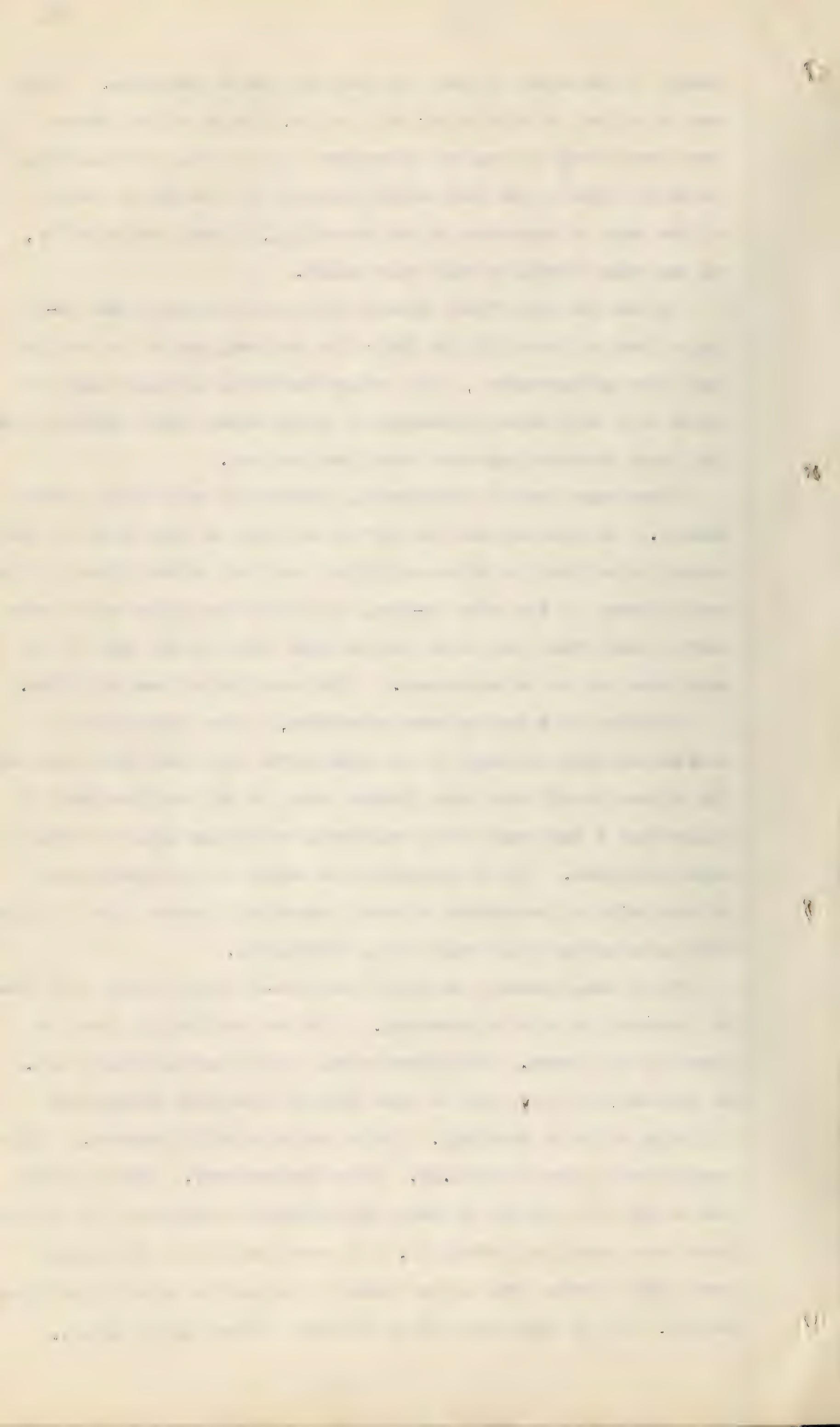
Waste to be alert to keep the cost as low as possible. There was no effort of this kind; neither Mr. Bishop or Mr. Waste even went down to see the property; they let the contractor go on as he liked, and they were compelled in the end by reason of the want of supervision and checking, already referred to, to pay them virtually what they asked.

In the Manning Street School there were errors occasioning a loss of from \$150 to \$200; the stairway had to be removed and other adjustments, but I think that this is that class of error that will almost necessarily occur where large transactions for large undertakings are being carried out.

There were serious mistakes in connection with Huron Street School. A contract was let for an addition to the front of the school which took it within eight or ten feet of the street; this was contrary to the city by-laws, and after the front walls were partly built they had to be pulled down and a good deal of the work done had to be abandoned. This entailed a loss of \$1274.

Thinking this matter over carefully, I have come to the conclusion that although it is clear after the event that the building bylaws should have been looked into, it is just the kind of thing that a busy man with a multitude of things upon his mind might overlook. It is impossible to carry on the operations of the Building Department without occasional errors, and I think this is a matter that ought to be overlooked.

There was, however, another blunder---I think I must call it---in connection with this school. It was decided to erect an annex to the south. The mistake was a very extraordinary one. As planned, the boys had to pass through the girls playground in going to their lavatory. This had to be all changed. This occasioned a loss of \$566.73. Money thrown away. \$80 of this was owing to a mistake of Webb, the masonry contractor, who should have been compelled to pay it. My recollection is that there were other losses through mistakes in connection with Huron Street School. It is proverbial that mistakes seldom happen alone.

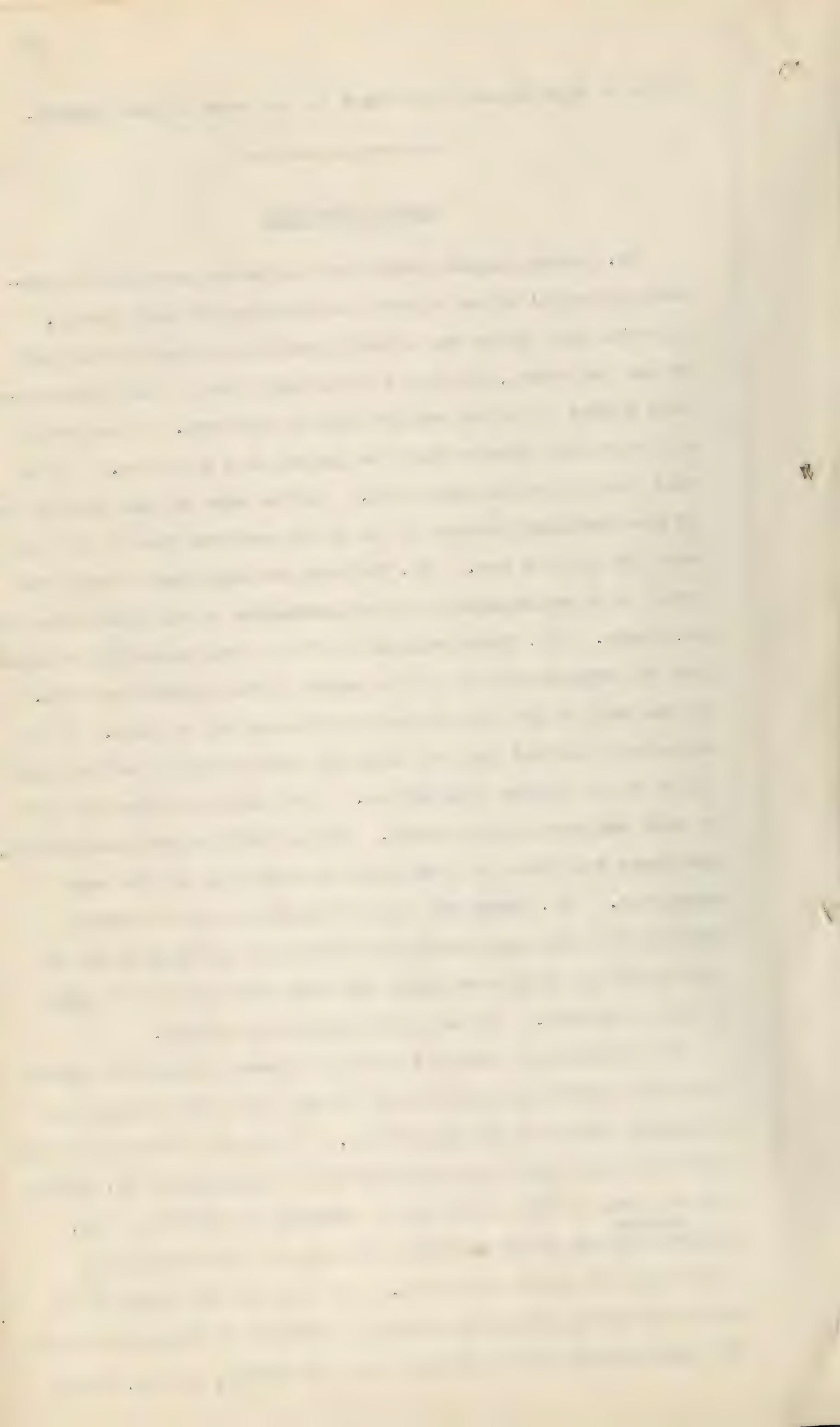


This is significantly the case in the case of Park School.

LAND PURCHASES

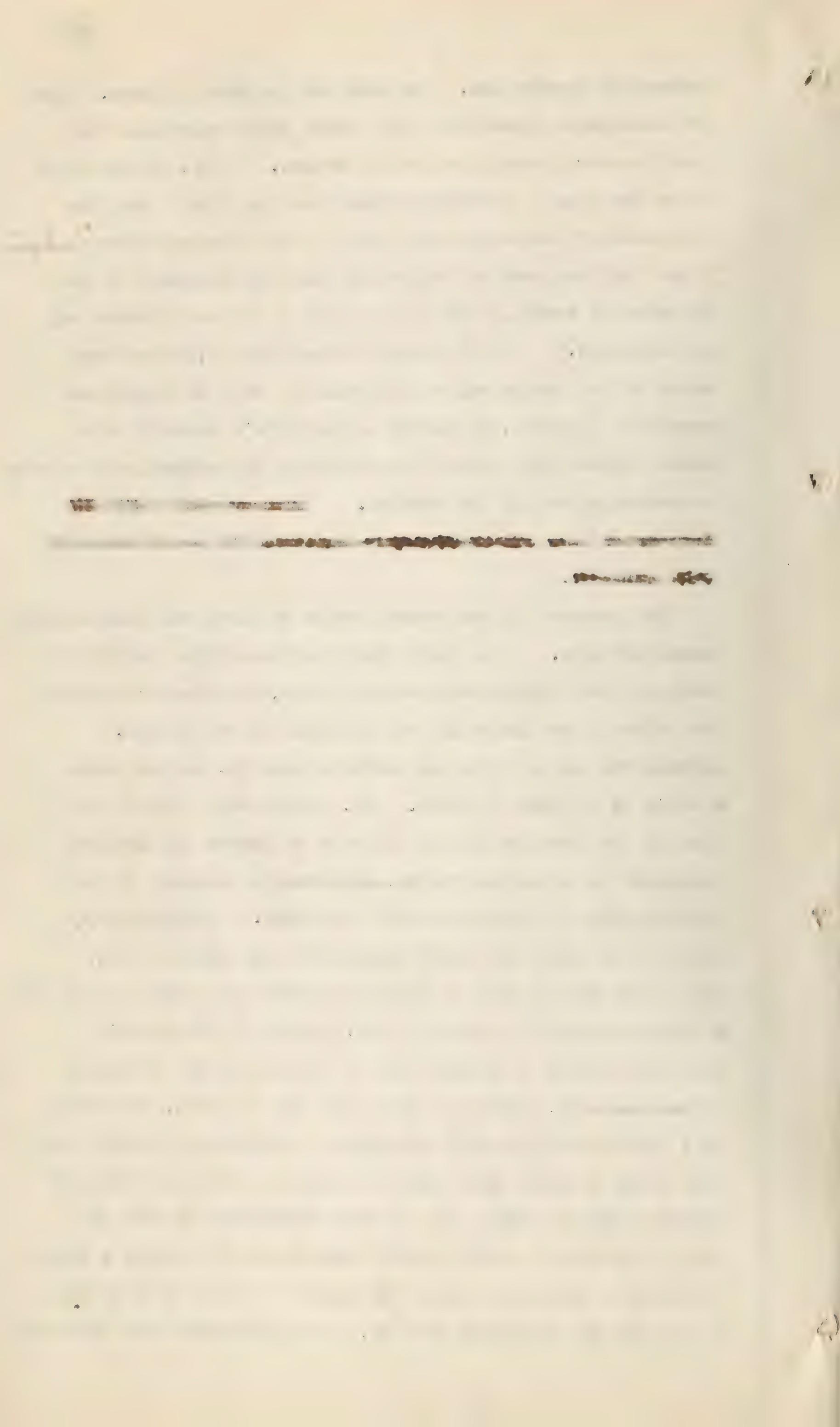
Mr. Bishop claims credit for the saving effected by purchasing school sites without intervention of land agents. I notice that there was a small commission occasionally paid of one per cent, but there is no doubt that a very considerable amount of outlay was avoided in this way. I am not at all convinced however that the policy is a good one. It is said that it avoids publicity. In the case of the site of one of the Technical Schools it is quite manifest that it did not work out in that way. Mr. Tarleton was apprised of what was going on by announcement in the newspapers of the activities of Mr. Sharp. Mr. Sharp managed to fill a dual capacity as agent for the Department and in some cases of the vendors as well. It was hard to get him to see the impropriety of this. If he is made to account for the money he will probably realize that it is at all events injudicious. Just how much money he got in this way was not disclosed. He got \$312 on one transaction, and there are three or four other transactions of the same character. Mr. Sharp was one on the long list of people dealing with the Department who either did not keep books at all or did not keep them until the time they are called upon to give evidence. He had a shockingly bad memory.

The purchase of the site of the North-West technical school revealed a shocking condition of things, but not necessarily attaching itself to the Department. It is an instance of which there are many many illustrations of how unfortunate Mr. Bishop was at times in the selection of servants and agents. Mr. perhaps Millar/acquired quite as much notoriety at the time of the investigation as is necessary. He is a man who ought to be above the petty devices to which he resorted in connection with the acquisition of the property for the school, and Mr. Bishop



evidently trusted him. He used bad judgment in that. Men of experience generally do not trust these sanctimonious individuals; I would not at all events. Mr. Millar tells us he had been a trustee for that section, "and I had the interests of the section at heart to get a school there;" *and again* "I had the interests of the school and the interests of the district at heart, I had to go about it in the quietest way in buying it." It is enough to say that Mr. Millar went about it in a quiet way so effectually that he bought and resold at a profit, he turned in his wife's property at a higher figure than any of the adjoining properties, and he made a commission out of the vendors. ~~I don't know what he did with the money.~~
~~He probably used it for his own benefit.~~

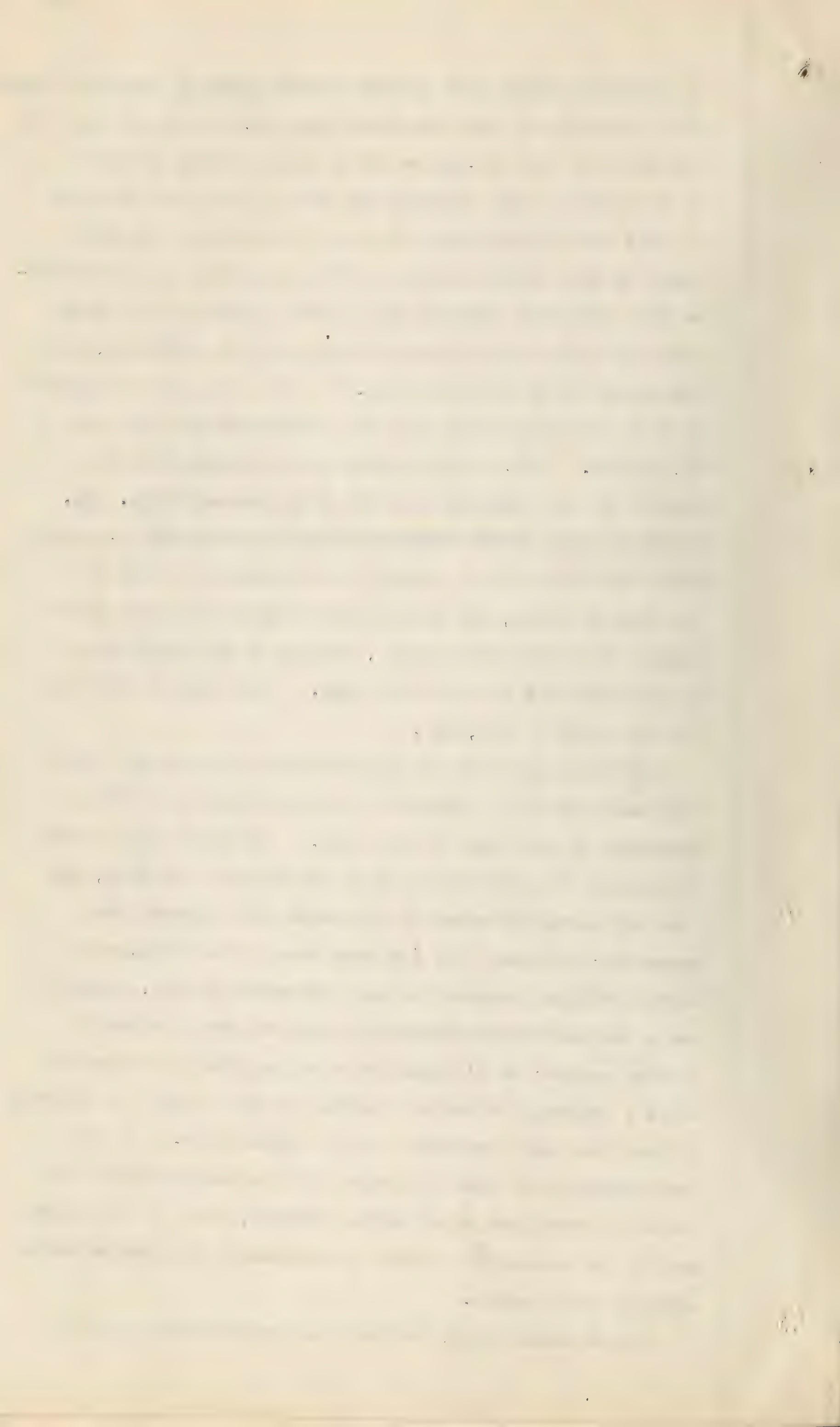
The purchase of the Robert Davies property was considerably commented upon. The Board first purchased the quantity of land that Mr. Bishop recommended at \$12,000 an acre; this was the offer of the Board and was accepted by Mr. Davies. Between the school site and Carlaw Avenue Mr. Davies owned a strip of 87 feet in width. Mr. Bishop says that at the time of the purchase he did not want to extend the property purchased up to Carlaw avenue, ~~extended~~, on account of the desirability of avoiding costly frontages. Subsequently, and I infer after the first transaction had been closed, but at all events after a binding contract had been entered into, a letter was sent on behalf of Mr. Davies to the Board's solicitor saying in effect that it was not to the advantage of the Board Mr. Davies to have this narrow strip, and adding that "we are willing that the Board of Education should take this strip so as to give them a frontage on the east side of Carlaw avenue extended, but if they don't want it then we would like them to take a little less so as to give us a depth on Carlaw avenue of at least 125 feet." There is a minute of the Finance Committee that Mr. Bishop reported with reference



to proposed school site on Pape Avenue north of Danforth avenue that property had been purchased from Mr. Davies and that it now appeared that Mr. Davies still owned a strip of land to the west of this property and that in order to make use of same for building lots it would be necessary for the Board to sell him a portion of their property, and recommended that the Board purchase this strip of land at the same rate per acre as the other portion had been purchased, which was agreed to by the committee." The whole matter appears to have been considered from the standpoint and interests of Mr. Davies. Mr. Davies starts off by saying that the balance he has retained does not suit him very well. Mr. Bishop reports to the Board that the interests of Mr. Davies would have been better served if he retained a strip of 125 feet in width, and he therefore reports that the Board acquire the additional strip, running to Carlaw avenue, at the same rate as the other land. This made a total sum for the strip of \$11,000.

At this point of the investigation the air was thick with warnings not to exceed my jurisdiction, and I will endeavour to give heed to that now. The Board had a right to exercise its discretion as to the price to be paid, and I am not certainly going to criticise the judgment they exercised; further, I do not know that it is wrong so far as the original transaction was concerned; but Mr. Bishop has a responsibility altogether distinct from the Board ^{comes} in this action; he is emphatic in saying that he wished to avoid a frontage on Carlaw avenue, and he had got the quantity of land that was necessary for the school site. In his recommendation he does not point out the disadvantages that would be occasioned by an extra frontage, and I do not quite see why he changed his views; to accomodate Mr. Davies would not be a good reason.

The evidence of Mr. Jarvis, the representative of the



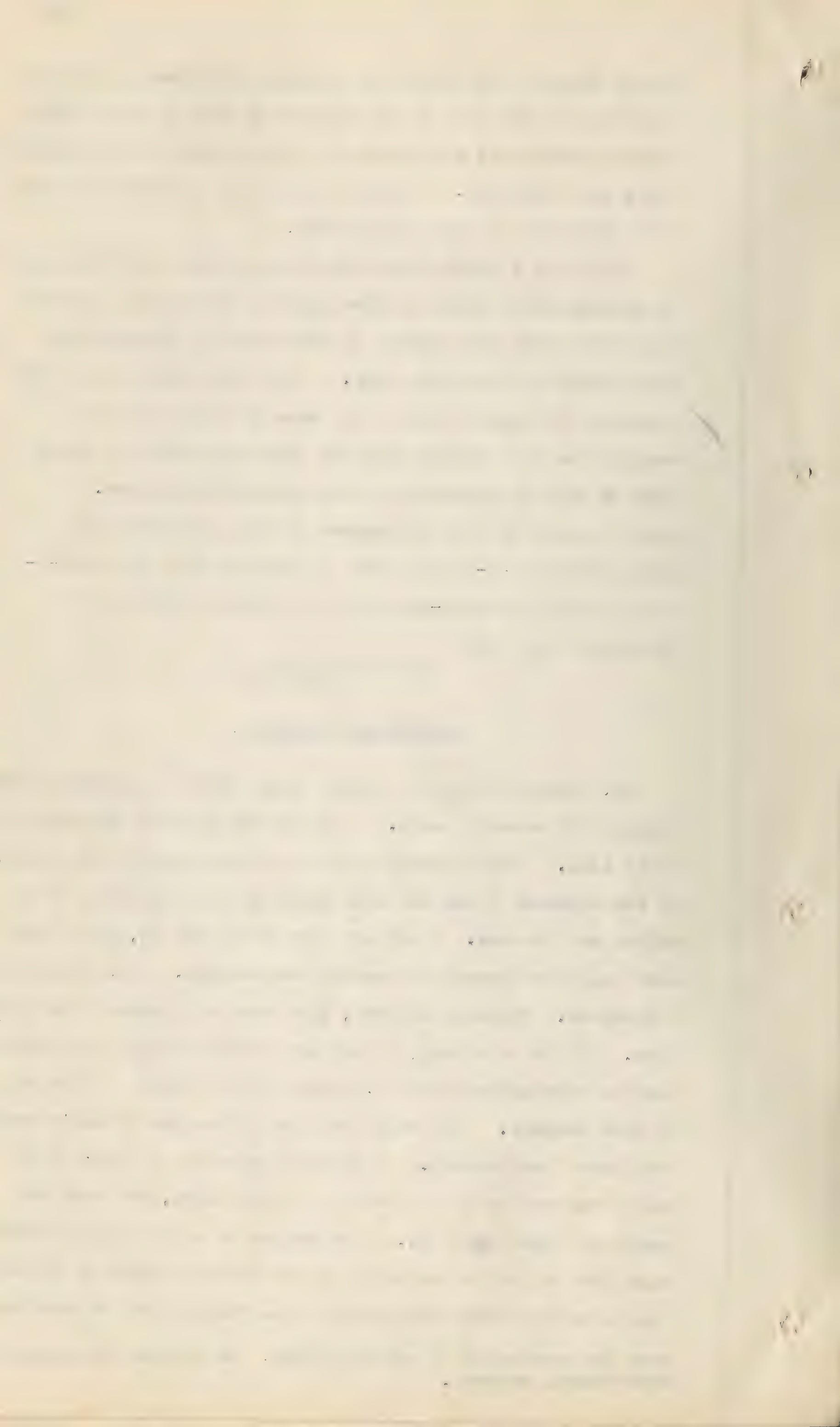
Davies Estate, was given with singular frankness, and upon the whole I have come to the conclusion that a much better bargain could have been made for the purchase of the narrow strip than was made. I cannot entertain a favourable view with reference to this transaction.

Just here I might interject that although the evidence in expropriation cases is wide apart as the poles, I think the Board would save money by occasionally resorting to this method of acquiring land. It is bad morals but sound judgment to suggest that in the case of land held by a corporation or a wealthy man the Board need have no dread that it will be compelled to pay exorbitant prices. What I really do wish to suggest is that occasionally expropriations ---if the land is acquired at a fair sum--- will prevent the "hold-ups" that I am quite convinced are frequently met with.

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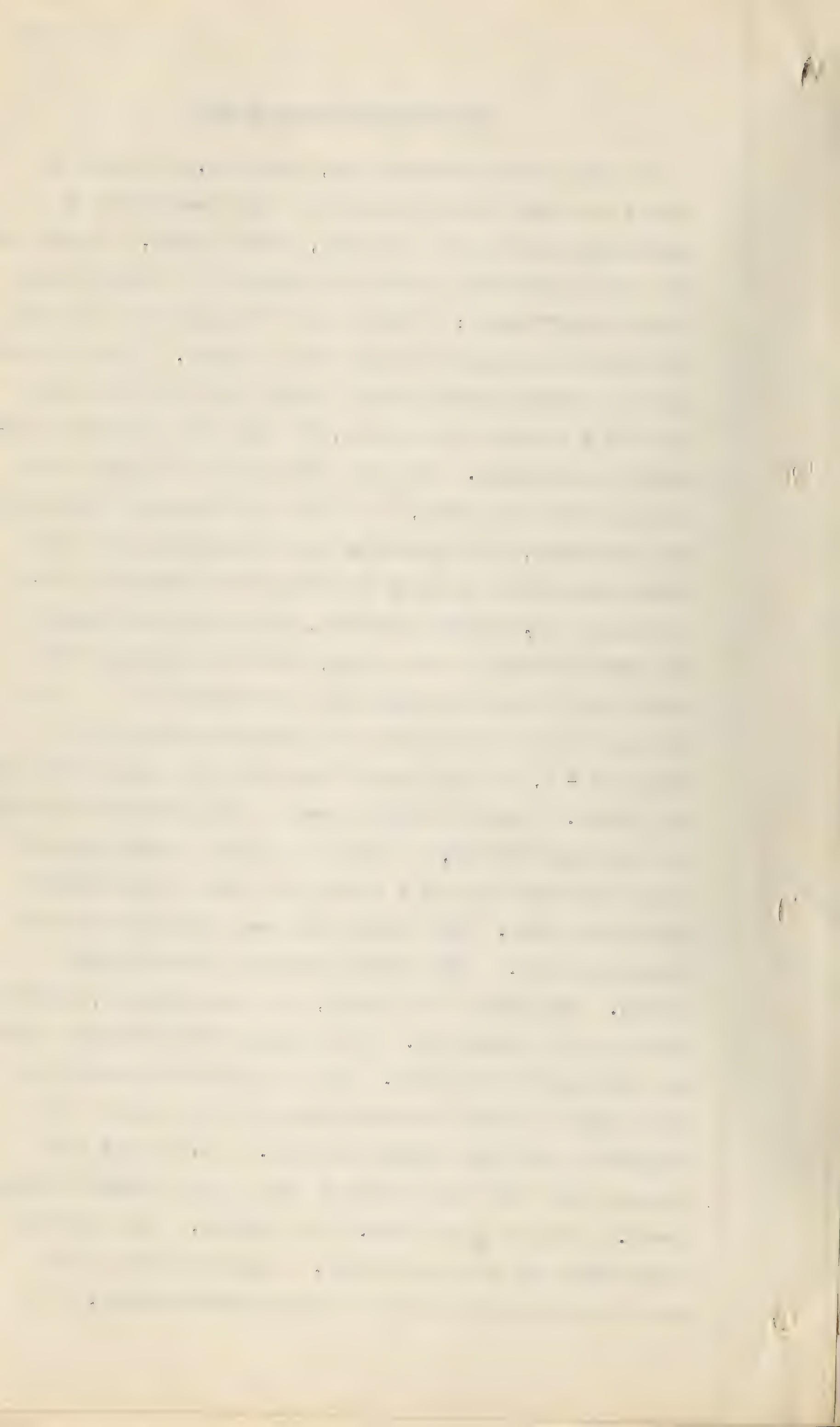
THE CENTRAL ELECTRIC.

Mr. Bishop has been a fairly large holder of stock in this Company for several years. I think his position was questioned in 1913. This company sells to contractors of the Board. On the argument I did not feel quite as strongly about this matter as I do now. I may not have mentioned it, but I had in mind that the element of secrecy was lacking. Mr. Bishop is a Director. Thinking it over, this does not improve the situation. It is in effect, though not intentionally, an announcement to contractors that Mr. Bishop is interested in the success of this company. The ramifications of the Department's work are almost bewildering. It is not a question of law; it is not what a man can do in a situation of this kind, but what he ought or ought not to do. The holder of a position of trust ought not to invite suspicion or set public opinion at defiance. I am of opinion that the position Mr. Bishop took is indefensible from the standpoint of public policy. He invited and deserves unfavourable comment.



THE CARLETON SCHOOL BOILER

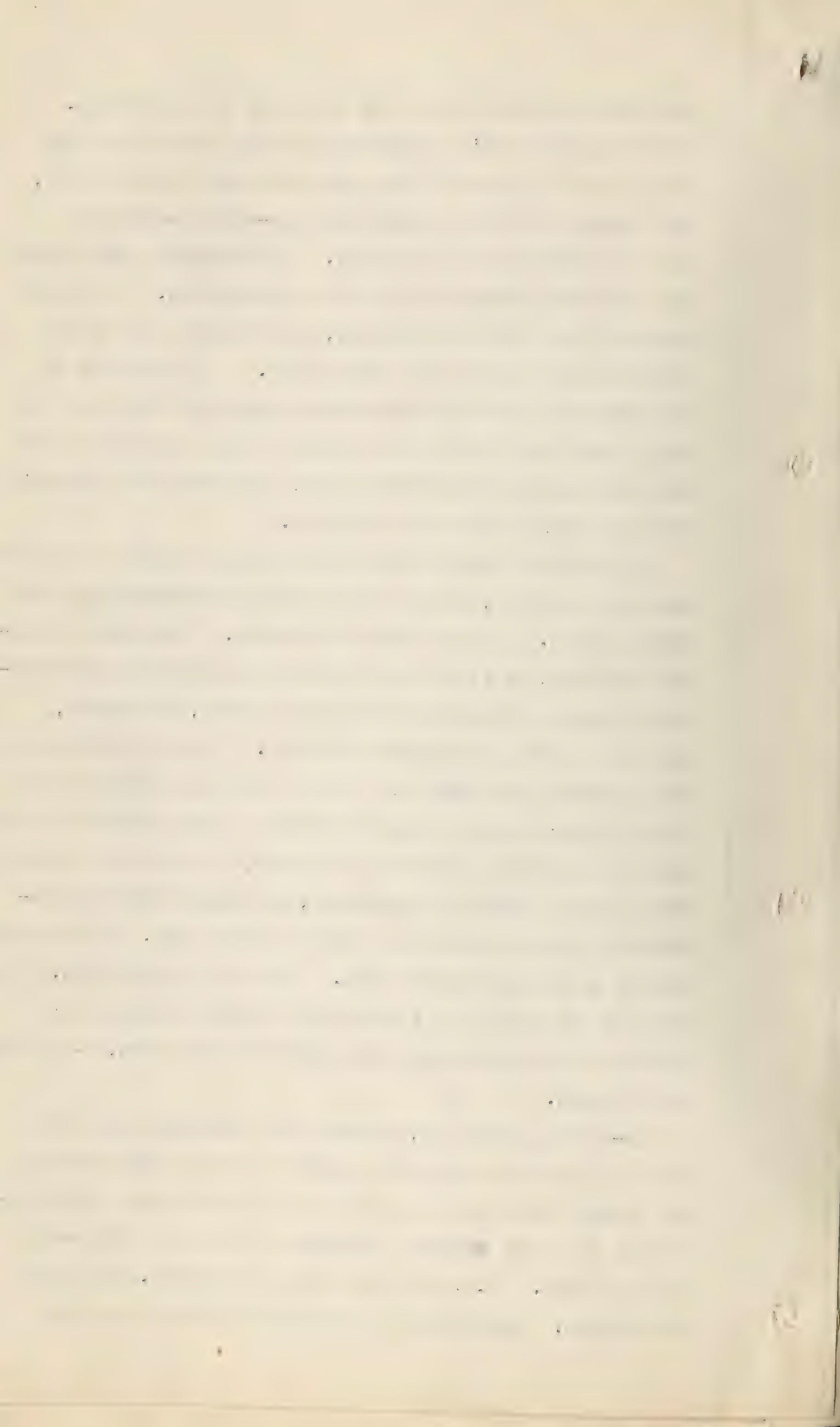
On the 21st of December 1916, boiler No. 2 in Carleton School was almost ruined through the gross negligence or incompetence of the man in charge, Arthur Garrow. On that day The Boiler Inspection & Insurance Company in a report marked "Confidential" said : "Boiler has evidently been subjected to a severe overheating through lack of water. The front tube sheet is bulged inwardly from a little round edge of circle to about $\frac{3}{4}$ inches in the centre, the tube ends projecting outwardly through same. The rear tube sheet is in much worse condition than the front, * * * and is considerably distorted and corrugated, both vertically and horizontally, this head having been sprung so badly that some of the tubes are projecting $\frac{1}{2}$ to $\frac{5}{8}$ inches outwardly, while some others again are drawn inwardly in the boiler, their heads having been broken off through overstrain and overheating * * * The bottom of first course shows considerable deformation or bulging * * *, the plate being down about $3\frac{1}{2}$ inches at the lowest point. The centre girth seam is badly distorted and in fact the whole boiler,* * * and it si quite evident that the boiler has been run with a fierce fire under it and without sufficient water. The fusible plug was found to have been blown out, etc". The fusible plug is a precautionary device. The plug is not itself, as I understand it, fusible, except as all metals are. It is placed below the water line and imbedded in soft metal. When the water recedes and the boiler plate becomes intensely heated the soft metal is supposed to melt and release the plug. Mr. Doughty also examined the boiler and concluded that it had reached "a white heat". It cost about \$1500.00 for repairs. An appalling catastrophe was narrowly averted. Garrow was not in the boiler room when the conditions described culminated. If



cold water had been let in an explosion was inevitable. He held an Engineer's Certificate granted twenty years ago but he has not generally been following this class of work, and struck me as being stupid and self-willed enough to act irrationally in an emergency. It transpired that Garrow had a dreadful warning only about a week before. The exact condition has not been disclosed, but it could only happen through lack of water and intense heat. This brings up the momentous question of Caretakers generally which must be dealt with, but I will first dispose of the otherwise important, but comparatively unimportant, question of Mr. Bishop's manner of dealing with the situation.

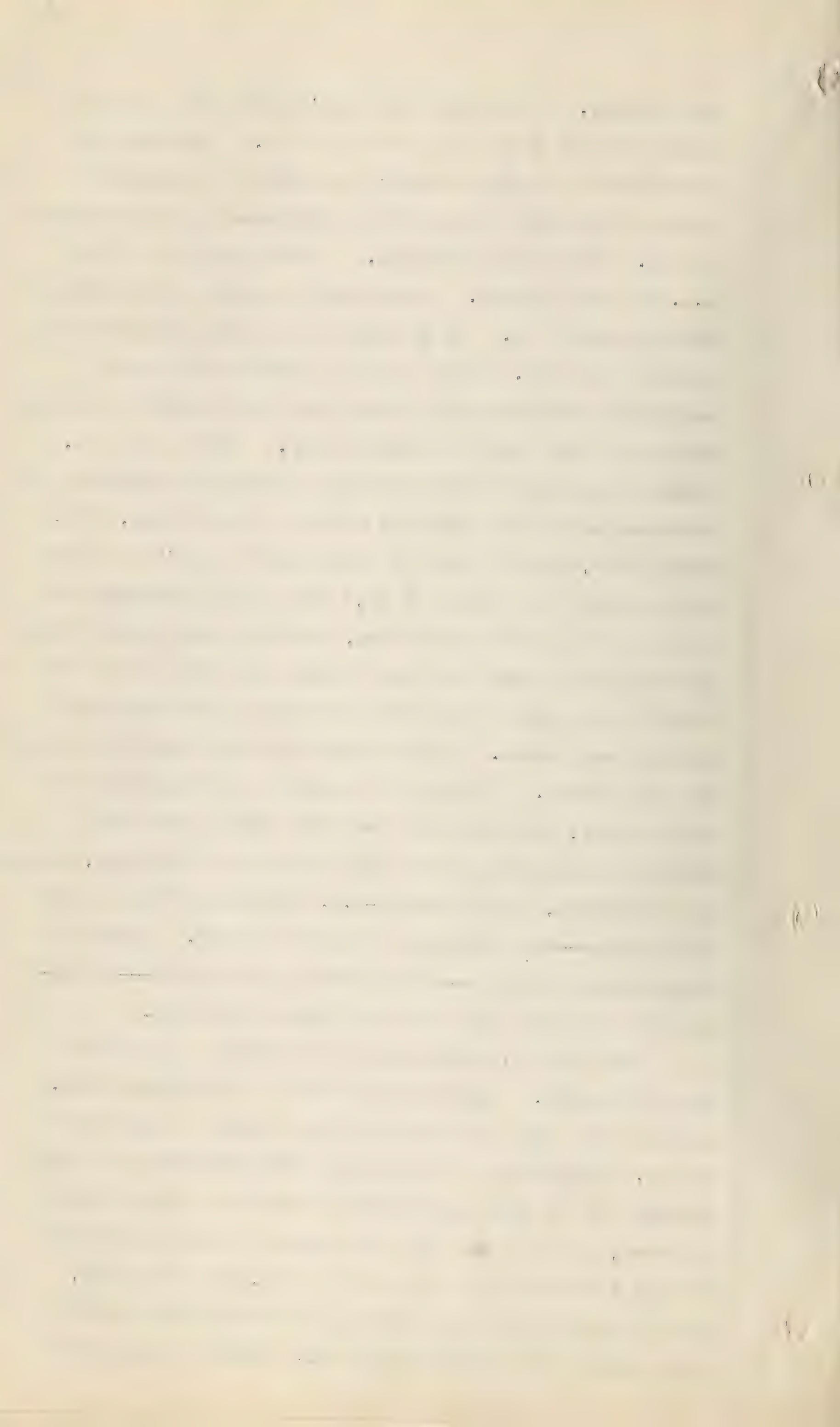
In the first place it had to be decided whether the boiler, described as above, should be repaired or discarded and a new boiler put in. It was decided to repair. This was a momentous decision, as if what had happened had seriously diminished the tensile strength of the boiler plates, it suggests, and might result, in disaster later on. I do not know that a wrong decision was come to, I am not entirely convinced that it was right; I have no decided opinion, I am inclined to think that it is now in a condition of safety, there is no evidence which I would regard as conclusive, and possibility and probability is not enough in a matter of this kind. It has been subject to the hydrostatic test. There are other tests. If there is any doubt at all the boiler should be taken out; money is of no consequence in a matter of this kind,---to doubt is to condemn.

By-law 81, clause 11, provides that the Superintendent shall not issue an order for repairs to cost a sum exceeding \$50 without obtaining the authority of the Property Committee-- I think it is the Property Committee, I have not the by-law under my hand. F.W. Bowering was the caretaker. He had no certificate. Caretaking includes looking after the fires



and boilers. Garrow was Bowering's hired man, and the Department had no direct control over him. Bowering was transferred to another school; he could not be suspended without reporting to the Board or Committee and assigning the reason. Garrow was dismissed. The work was let to The A.R. Williams Company. There was no estimate or approximate estimate asked for. It is argued that it was impossible to estimate the cost. There could of course have been an approximate estimate and it would have been useful in deciding whether it was better to repair or buy. In all this, Mr. Bishop intentionally kept the Board and Property Committee in ignorance of what had occurred and what he was doing. Mr. Bishop says, where he puts it concisely: "I didn't see there was anything to be gained by it," that is by disclosing the matter to the Board or Committee, but from other parts of his evidence it is clear that what he meant was that he did not think it desirable in the public interest to have what had happened made known. I am disposed to think that this was not the only reason. I mention it because it is the effect of what he said, but there is no evidence that it was ever directly disclosed to either the Committee or the Board, and as far as appears, the accounts, --A.R. Williams and the account for masonry---went through as ordinary repairs. There is documentary evidence ---not necessarily conclusive---to support the view that there was an attempt to mislead.

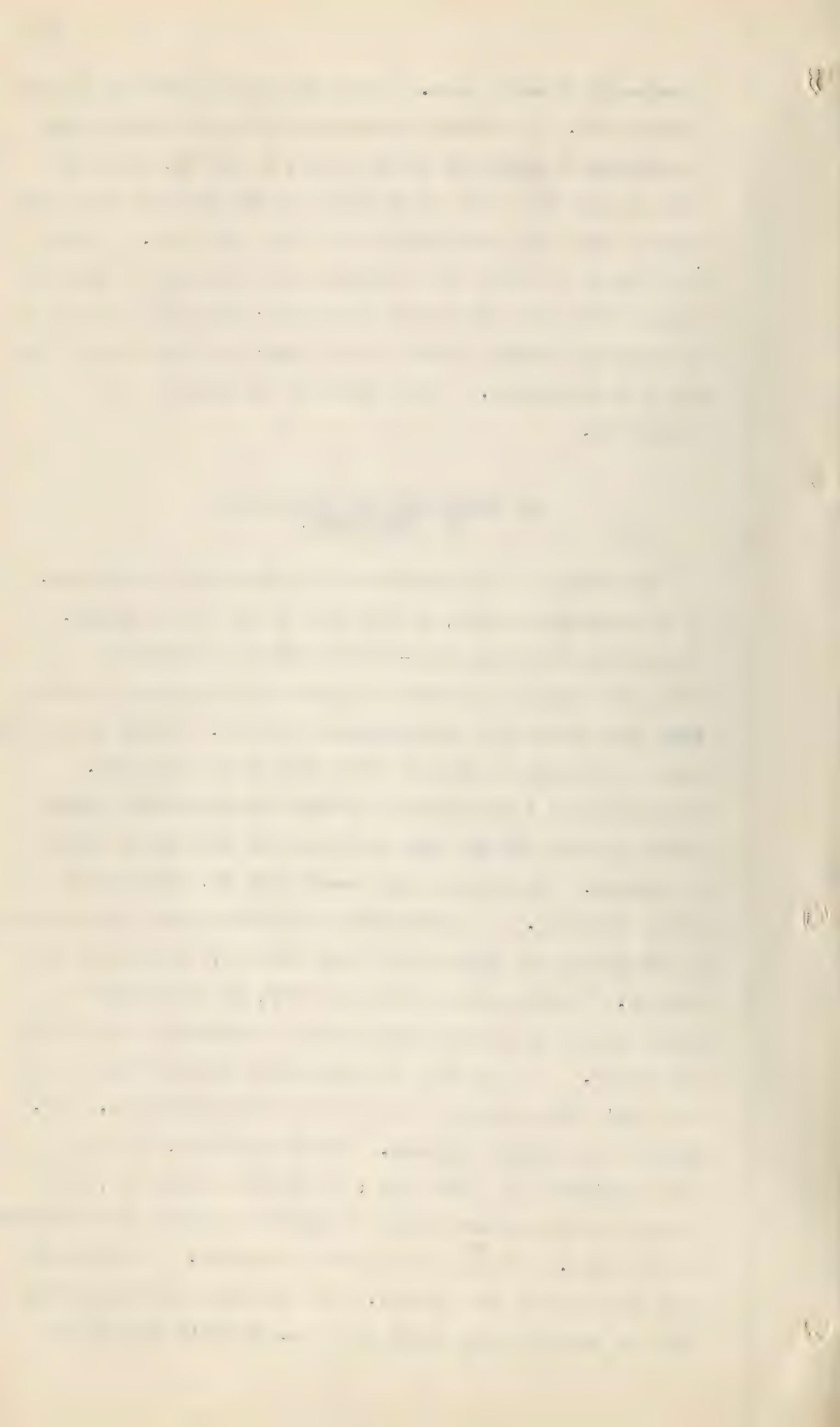
I find that Mr. Bishop was not justified in the course that he pursued. Public alarm is not an unmitigated evil. Assuming that some latitude is to be allowed, I cannot see why Mr. Bishop should not have shared his confidence with the Chairman of the Board and Property Committee or some other trustees, and obtained their assistance in deciding whether the old boiler should be retained in use, and, at latest, when the boiler had been repaired, and before the accounts were closed it was incumbent upon Mr. Bishop to make frank



disclosure of every fact. There was then no need of further concealment. In submitting accounts of this irregular and exceptional expenditure for approval, it was Mr. Bishop's duty to see to it that every member of the Property Committee passing upon them knew exactly what they were for. And in addition to all this, the ratepayers are entitled to know and judge of all the acts of the Department; generally of what it is doing and always of what it has done; and this without the aid of a commission. This leads to the question of Caretakers.

THE EMPLOYMENT AND SUPERVISION OF CARETAKERS.

The salary of the caretaker is to cover all caretaking. If he needs assistance, he must pay it out of his salary. It has been said in a half-hearted way that if looking after the boiler is deputed to anyone the Department insists that this person is a certificated engineer. There is a great deal of evidence to make me think this is not the case. The conclusion I have come to is that the caretaker employs anyone he sees fit and that as a rule the Department makes no inquiry. In the case just dealt with Mr. Bowering is not an engineer. I judge from the evidence that he attended to the boiler and firing for a time himself, but this is not certain. He says that in October 1916, he "appointed" Arthur Garrow as engineer and put him in charge of the firing and boiler. I find that the Department knew nothing as to this man's antecedents on the date of his appointment. Mr. Bishop did not know his name. To the question: "Did you ever inquire?" his answer was : "I may have heard it", and thought the appointment would be reported verbally or otherwise to Mr. Waste. It was not reported to anyone. It happened that Garrow had a certificate. Mr. Dennison asked Bowering: "Did you report to the Board or to Mr. Bishop's Department



about having hired this man? A. No sir, I did not.

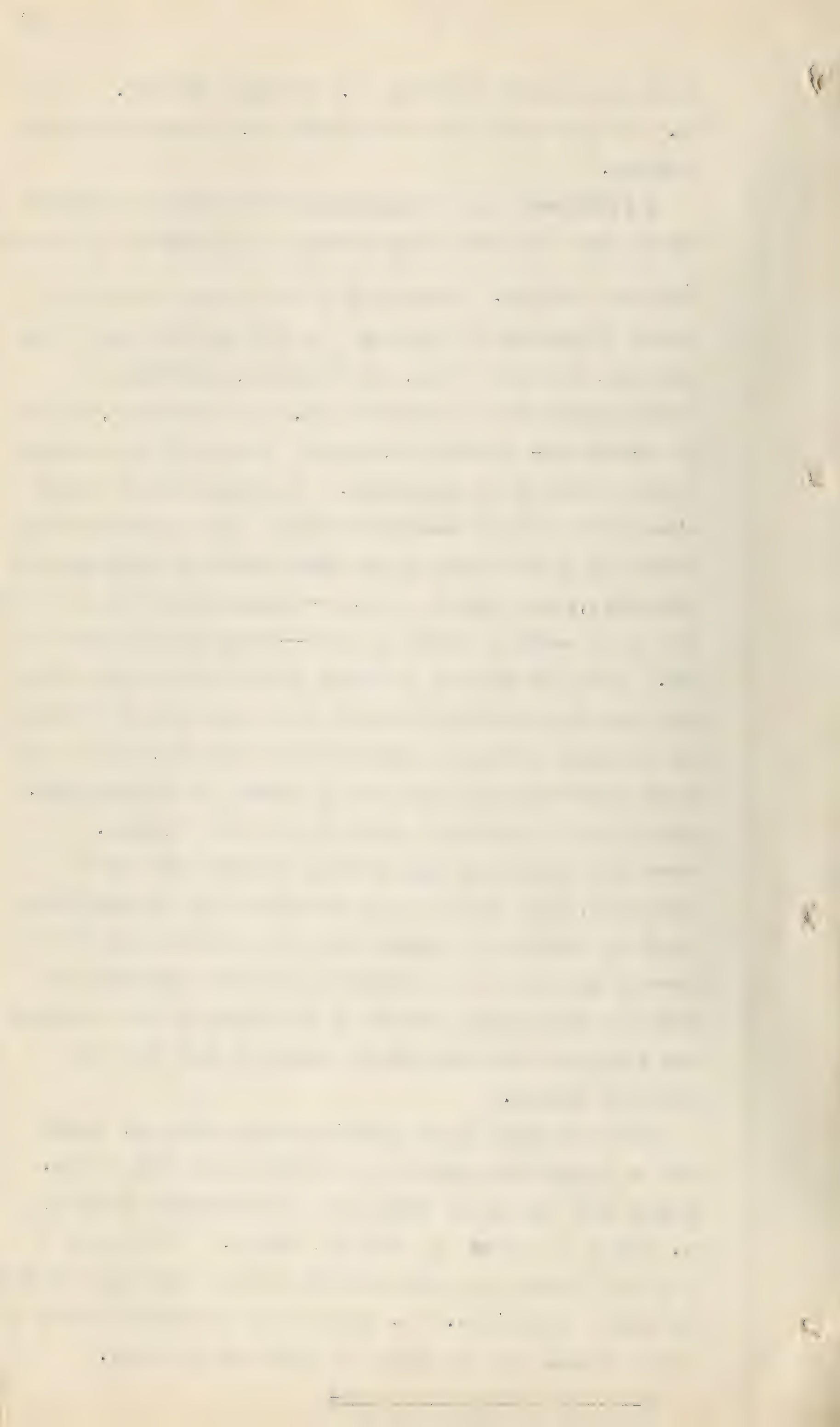
"Q. You just used your own judgment? A. I just used my own judgment."

A certificate may be regarded as one evidence of fitness but it ought not alone to be regarded as a guarantee of fitness for this position. Absolutely in every case, before the safety of hundreds of children are left at the mercy of any engineer, the type of man, his character, experience in similar positions of responsibility, and antecedents, should be ~~inquired-into~~ ascertained, and all this should be recorded in the Office of the Department. To require him to submit himself to a medical examination with a view to ascertaining whether he is the victim of any habit liable to count against efficiency, attentiveness, etc.,---a guarantee as far as may be that he is mentally normal at least---would not be going too far. That the engineer in charge should have no other duty than that which pertains strictly to the position of fireman and engineer; nothing to excuse absence from the boiler room except supervision of the heating system, is indispensable. This is far too serious a matter to be left to chance. There have been a good many circular letters sent out to caretakers, but I am not at all satisfied that the Department has fully realized the menace there is in this matter to the lives of the scores of thousands of children attending the sixty one steam heated schools in this City, or that there has been exercised anything like the degree of care that the situation demands.

Referring again to the Carleton School case, Mr. Bishop said he thought the chance of an explosion was very remote. He said that the man in charge was a certificated engineer:

"Q. How do you know? A. From Mr. Waste". He referred me to Mr. Doughty, the Department Heating and Sanitary Inspector, for expert information. Mr. Doughty when called was not at all of the opinion that the danger of explosion is remote.

As to the supervision of care



As to the supervision of caretakers, and Departmental knowledge of them, Mr. Bishop also referred me to Mr. Waste. Mr. Waste was called, but he did not say that he knew anything about Garrow, had heard of his appointment, or that the appointment should have been reported. The matter is so important that I will quote a few lines from Mr. Waste's evidence.

MR. DENNISON : I want to refer generally to the records you keep of the caretakers---their fitness for the position and the method in which they carry on their duties? A. Our records in that respect are not particularly detailed

"Q. Do you carry them in your head? A. To a great extent.

"Q. Have you any records of the caretakers, their qualifications, their misdemeanours or mistakes and transfers ? A. No, not an itemized record of that kind.

"Q. Suppose I come to you in any particular case and say : 'Is this man a certificated engineer?' how would you be able to tell? A. We have accepted the statements of caretakers to a great extent.

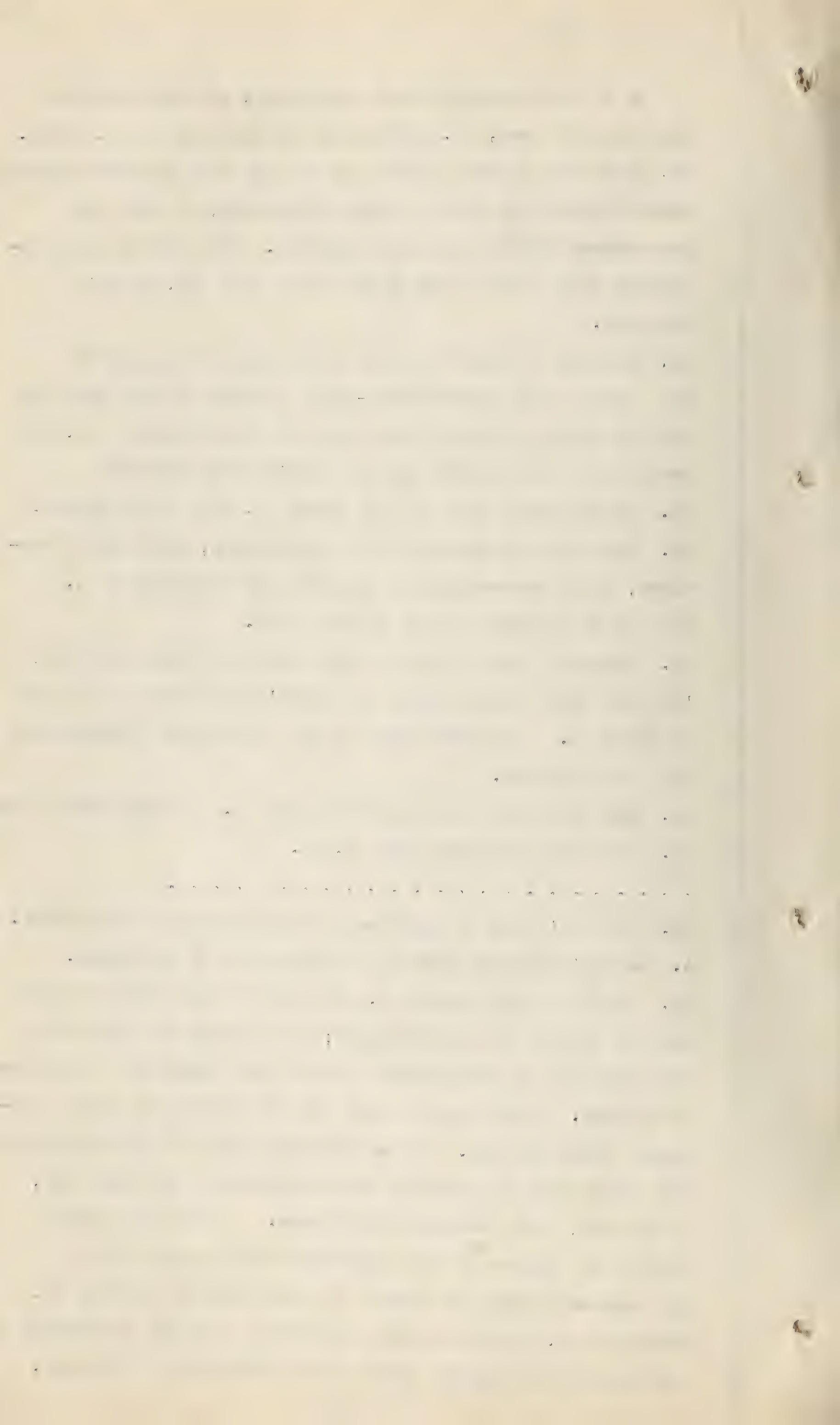
"Q. Have you seen these certificates? A. In some cases, yes.

"Q. In others you have not? A. No.

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"Q. You don't make a practice of examining the certificates? A. We don't require them to produce them in all cases.

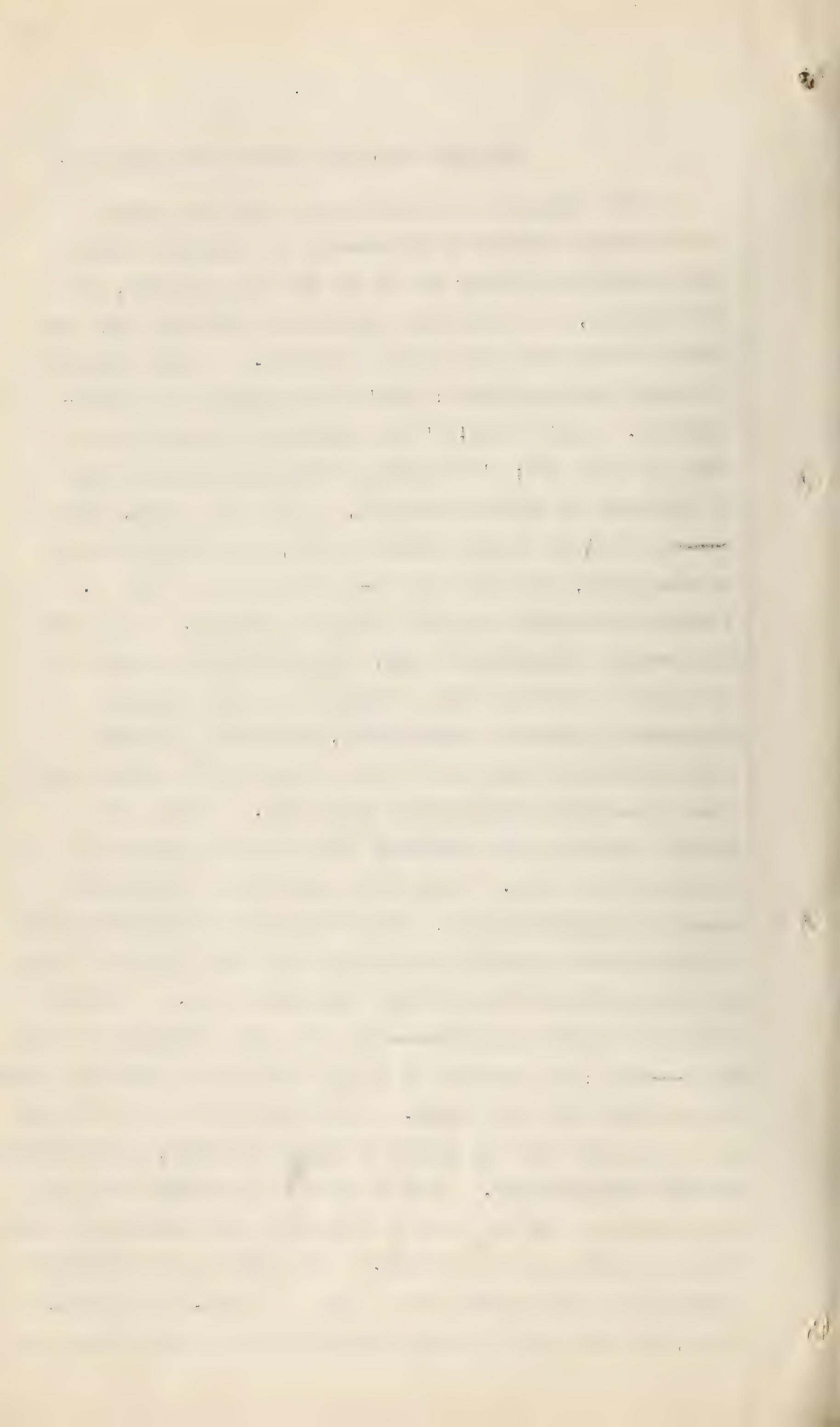
"Q. Do you in any cases? A. We have in some cases required them to produce the certificate"; and he says the statement that they have a certificate is sometimes verbal and sometimes in writing. There can be only one interpretation of the evidence above set out. I am gratified that my commission does not impose upon me the duty characterizing in any way what, to my mind, this evidence establishes. I find and report that in the matter of the appointment and supervision of the persons having the charge of steam boilers neither Mr. Bishop or Mr. Waste exercised reasonable care for the safety of the school children and Staff or the property of the Board.



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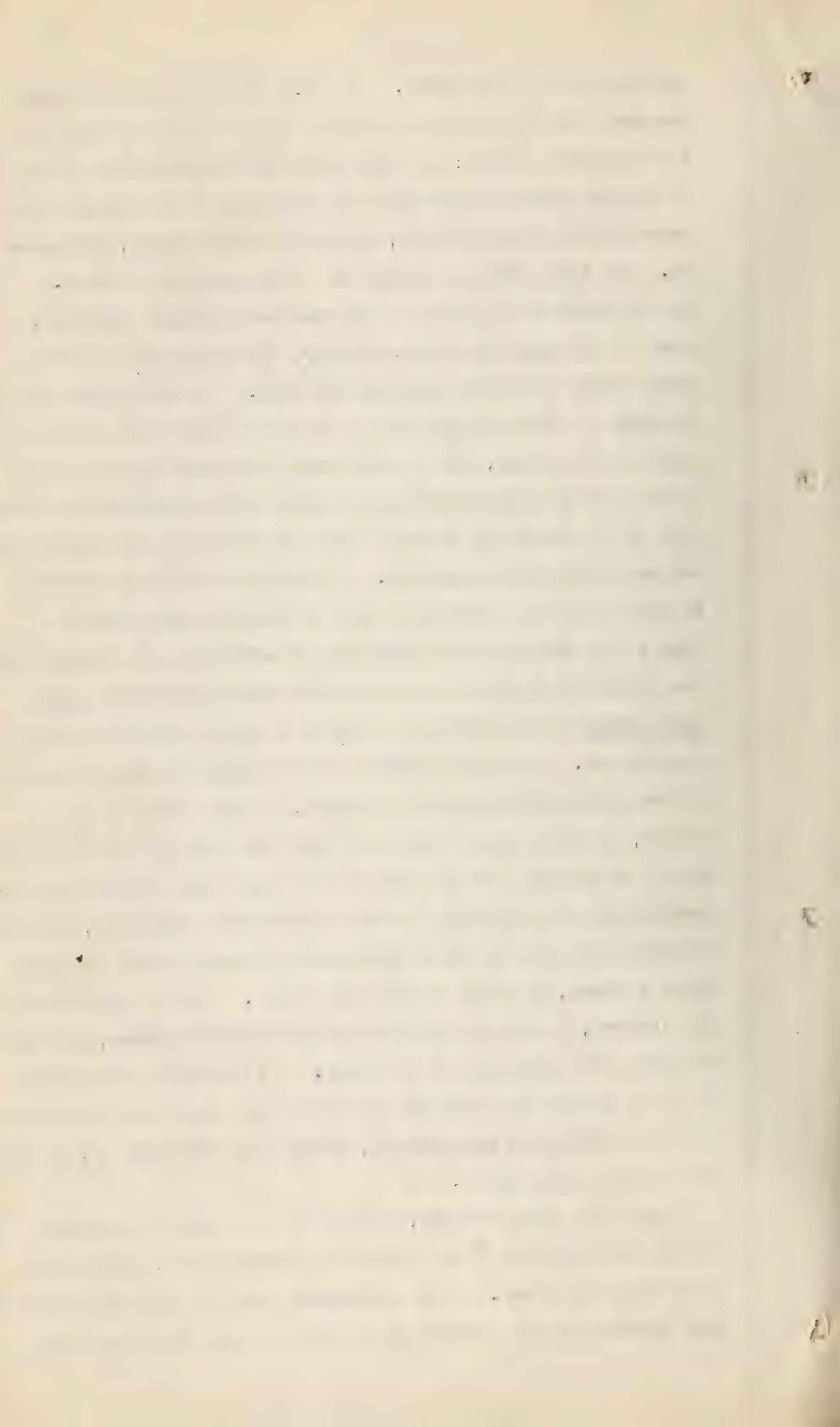
OTHER DANGERS, VENTILATION and SANITATION.

To make adequate provision for the health and safety of the school children is undoubtedly the paramount duty of the Building Department; and to see that this is done, and done quickly, is a duty which neither the Board nor "the dear public" should any longer ignore or shirk. I hear the echo of a once familiar voice : "You're going beyond your jurisdiction". Don't worry! I'm not calling for counsel as to "How not to do it"; I'm thinking of the thousands and tens of thousands of helpless children, in this city today, whose ~~whose~~ healthy and future sphere in life, aye and life itself in some cases, turns upon the co-joint question of the ventilation and sanitation of the Public Schools. In all the wide range of organized Society, in the gathering together of the people in limited areas, nowhere do you get the same aggregate of dependent human beings, associated in groups and breathing the same air for five or six hours a day as you find in the Public Schools of a great city. There is no equally important civic question confronting the people of Toronto at this time. There is no question so insistently demanding immediate action, for although the sanitary conditions of the schools are not as bad as they might be, they are in many of the schools far short of what they ought to be. In 1915 the Medical Health Inspector---then under the jurisdiction of the Board---said : "In practically all the schools the fresh air inlet is on a level with the ground. The fresh air entering the room as it does from near the ground is filled with dust, ashes and foreign matter of various kinds. This is not a very sanitary condition of affairs, and the breathing of this air is not conducive to the very best health of the children." Mr. Dennison submitted that this was " a very mild way to put it." I agree. It is well, I think, that the medical health inspection is no longer under the



jurisdiction of the Board. Mr. W.H. Elliott, Public School Inspector, who has evidently given a great deal of thought to this question, said : I am positive these intakes should not be on a level with the ground", and referring to the height the intakes should be carried up, fifteen feet or higher, was asked : "Q. You think that is right? A. I am positive of that." He too happened to refer to the "perfect harmony" existing, much in the same way as Mr. Doughty, the conditions in both cases being unsatisfactory all the same. In some cases the air is drawn in from the playyards, in other cases from the street, anything but clean, and in all cases from areas where the air is sure to be impregnated with foreign matter injurious to health. Once it is sucked in it has to find an outlet in the class rooms and corridors of the schools. I require no skilled evidence to lead me to the conclusion that to describe all this as "not a very satisfactory condition of affairs", and to say that the breathing of this air is not very conducive to the very best health of the children would be to shirk my plain duty in this matter. Dust and ashes are bad enough, but when I think of the indescribable filth that must, in some cases at all events, be taken up and breathed into the lungs of the children we are educating, and injuring at the same time, I take the responsibility of reporting it as an intolerable condition, and this without reference to the supplementary agency of foul air from other sources, to which I must also refer. On the question of the intakes, I will not venture to apportion the blame, all are to blame, the Commissioner included. It is like a rebellion, if it is narrow and sectional we arrest and hang the ringleaders, if it is widespread and general, there is no help for it, we must end it, and begin again.

There are other matters, dwarfed by the magnitude of the matter just referred , for which Mr. Bishop and Mr. Waste must alone take the blame. The appliances, such as they are, have not been supervised and controlled so as to prevent foul air from

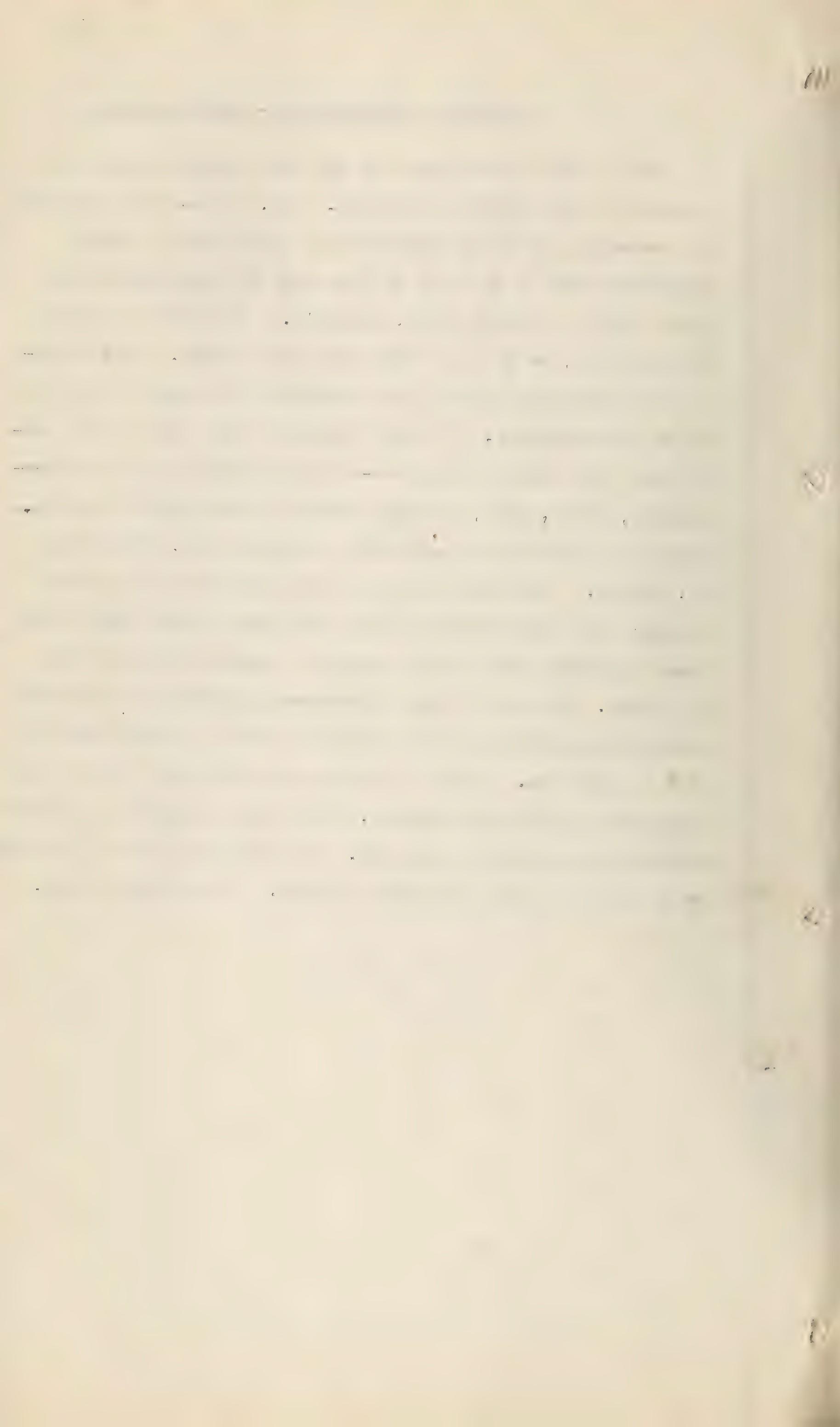


other sources. Some of it I think is to be attributed to faulty methods in arrangement of the lavatories, but at all events the fans have been allowed in some cases to get out of order, drop out of commission, run the wrong way, etc., with the result that the unhealthy air from the intake is frequently supplemented by offensive, injurious fumes originating within the building. There is quite a formidable catalogue of this sort of thing, it is not necessary to repeat it. In the matter of the intakes, I understood Mr. Bishop to say that the excuse for the years and years that this menace has been allowed to exist is that the Board contemplates reverting to open window ventilation. That may be. That hardly covers the point. Mr. Bishop designed the schools, and this question is not new, nor is it controversial.

I had intended to take up the question of locker accommodation for children's wraps, etc. The method in Toronto Schools is to hang them in the class-rooms, screened from view but in direct contact with the air of the room. I am not sure whether this applies to all the schools. The best method is a matter on which I would not attempt to give an uninstructed opinion. I would think there is some risk of communicating disease or illness by this method, and that there can be a system devised by which this risk, if it exists, can be eliminated. In many schools I have visited in other parts of the Province there are cupboards at the end of the class rooms with exhaust ventilation from the top of each. The door slides up into a false partition, when the wraps are hung up these doors are pulled down to a fixed point within about six inches of the floor. It is said that the current of air is outward and upward, and I would think it would be so,---thus avoiding contamination. The whole question is for careful study by architects or other experts. It would appear to me to be possible to devise a method by which this clothing could be fumigated or disinfected so that whatever condition it was in when it reached the school it would be in a perfectly sanitary condition before it is used again, as the window advertisements have it: "cleaned and pressed while you wait."

ELECTRICAL INSTALLATION - ANOTHER DANGER

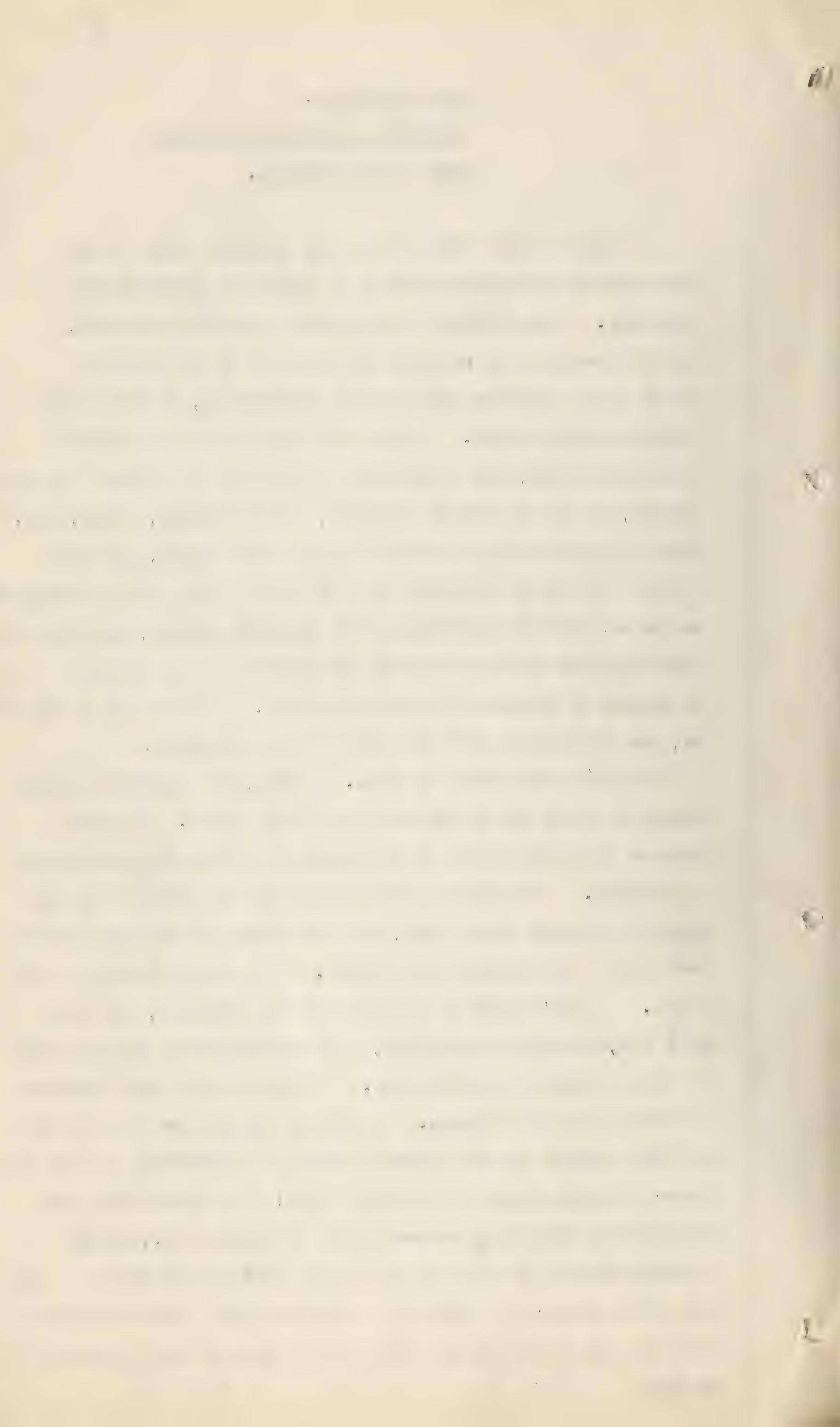
Until quite recently no one has been definitely put in charge of the electric appliances. Mr. Heaton has been taken on recently, but it is impossible to think that he can do effective work if he is to be tied down by the instructions given him in a letter of Mr. Bishop's. He is not to find out anything, he is to go only where he is sent. The situation is alarming; but for the undisputed evidence, it would be to me inconceivable. To give anybody a fair idea of the conditions that exist in many of---including many of the newer schools, Brown, Park, The High School of Commerce and others, would be in effect to repeat the evidence of Mr. Butler and Mr. Heaton. Switches and wires are installed in dangerous places; the switch cupboards are left open and the keys lost, these cupboards are used as places of deposit for all kinds of things. They are in many instances accessible to children. They are described as in a condition liable to cause loss of life at any time. I am of course conscious that I should not unnecessarily alarm the people. Better have alarm than disaster; accidents have already occurred. The evidence I have referred to is worth reading and should be read. I need say no more.



SPECIFICATIONS.PAINTING & CARPENTRY CLAUSES.COST OF BLUE PRINTS.

. I regret that I have not at the moment a copy of the standardized specifications as to finishing Hardware and Painting. The opinion I have formed is quite definite, but the basis of my conclusions will not be as evident as if I were quoting the clauses referred to, particularly the Carpentry Clause. Taking the Park School contract as an illustration, the contractor is directed to "Insert the sum of \$12,000 for finishing hardware, such as locks, knobs, etc." This is substantially accurate as far as it goes, and what I have set out is followed by a provision that this hardware is to be selected or approved by the Superintendent , and that if the whole sum is not required the balance may be applied on extras or deducted from the contract. If the sum is exceeded, the difference will be paid to the contractor.

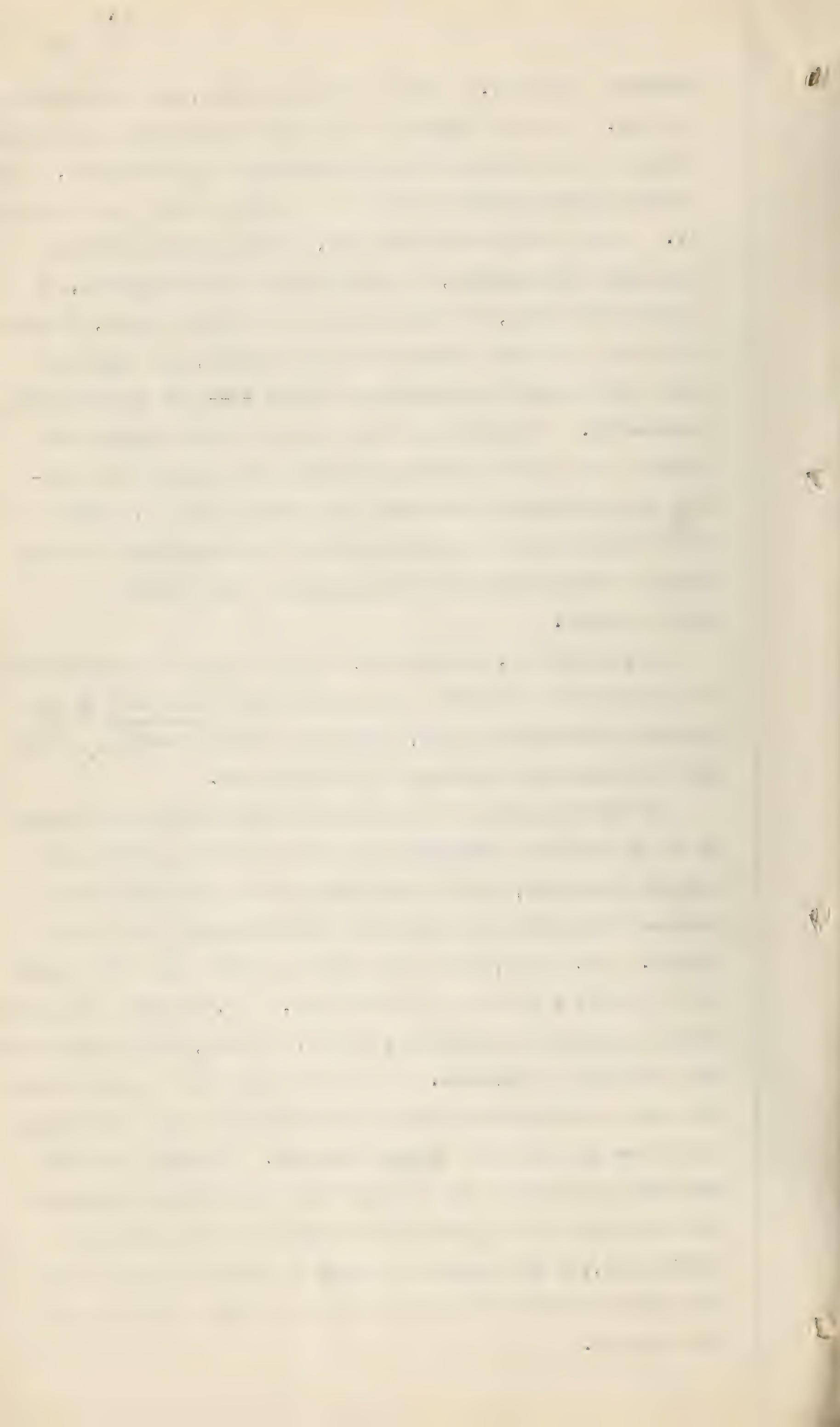
Two questions arise on this. First: The hardware dealer supplies the goods at the ordinary trade price. In compliance with the custom of the trade he allows the contractor a discount. The contractor charges the Department for the goods at regular trade rate, and the custom of the Department has been to settle upon that basis. The question is, is that right. I don't mean is it right in the abstract, and I am ~~sure not~~, speaking judicially, I am speaking as a Commissioner if the distinction can be made. I think it is right because I think it is the bargain. I also am of opinion that it is a foolish bargain and the clause should be eliminated, and in its place a clause inserted to this effect: "The Department will furnish the finishing hardware such as locks, etc., and the contractor will be allowed the sum of (fixing the sum) for putting it in place; or instead of the Department, "the contractor will include in his tender the cost of putting the finishing



hardware in place." It is easily arranged, and it ought to be done. I have listened to all that has been said as to the origin of the clause and the necessity for continuing it. The origin is unimportant and there is no good ground for retaining it. To all intents and purposes, except as the prop of a miserable technicality, the Department is the purchaser, it selects the goods, it discusses and settles the price, it does all this in direct contact with the vendors, and they are paid for it when the Department settles with ~~for~~ them with the contractor. I would say to get rid of it and prevent the scandal of a trustee passing upon his own accounts as Chairman of the Property Committee, and prevent what Mr. Belfry described as the four percentages the Department pays in this kind of transaction when the negotiator "lets himself out a little".

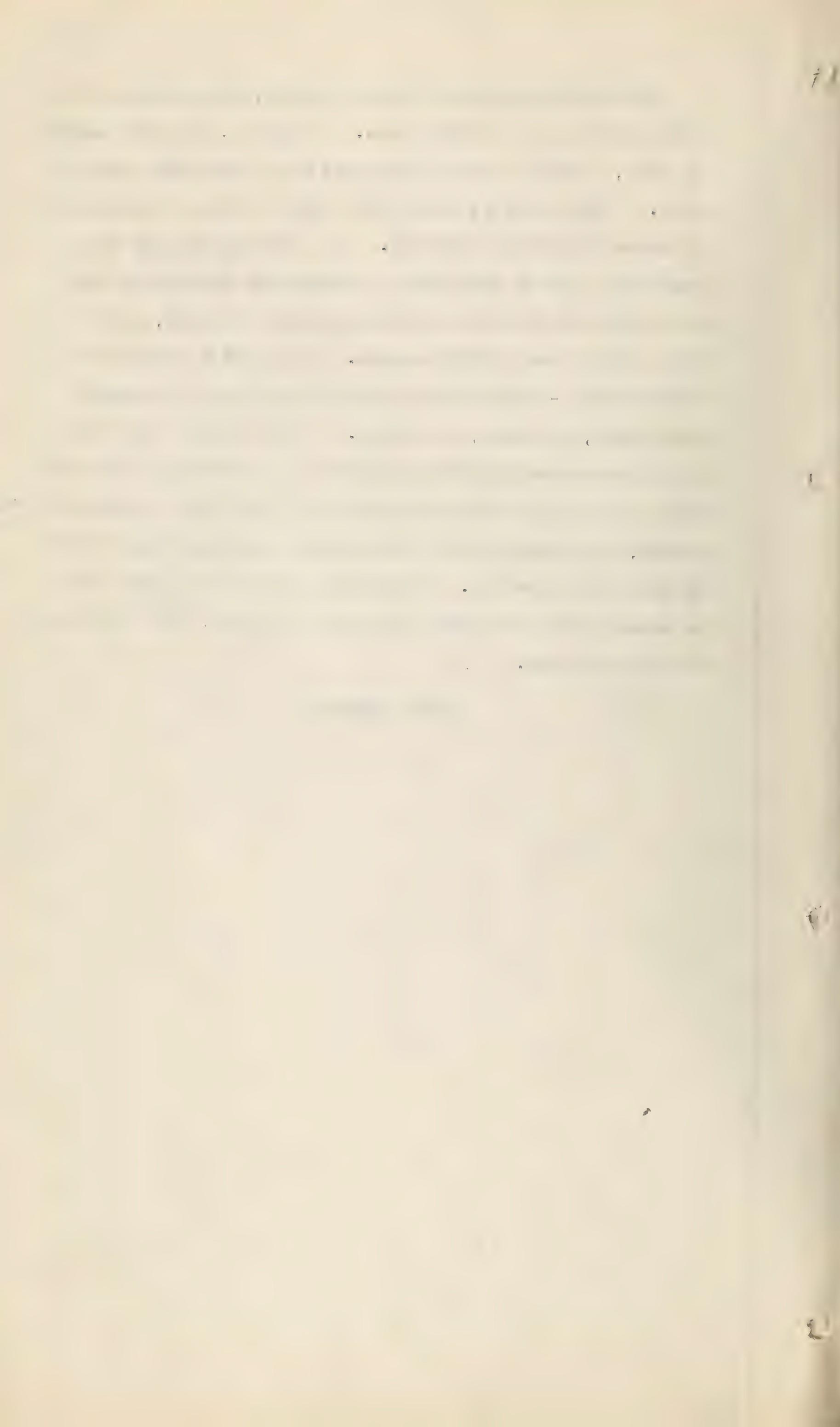
At page 318 Mr. Belfry said: "In the Vokes bill he (Faulkner) let himself out a little" Possibly he had to because he had ^{percentage for himself,} certain percentages to get, percentage for the factory, percentage to Vokes and percentage to the carpenter.

The Painting Specifications provide that each coat of paint is to be completed throughout the whole building, inside and out and inspected, and the authority of the Superintendent or someone representing him obtained before another coat is commenced. Mr. Waste, after many words, admitted that this clause is not observed and is not practicable. Mr. Stewart, for years special inspector of Painting, is quite direct, he does not pretend that it could be followed. I have not had time to wade through the mass of stipulations, but no doubt this is only one of many provisions that are not always enforced. The evil is, that when they are put in, the conscientious contractor who expects to live up to his contract has to tender upon the basis of fulfillment, but the man who is always on school contracts and who knows the ways of the Department can figure closer and get the contract.



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When building operations are active, the annual cost of blue prints is an enormous sum. When Mr. Dennison argued on this, I said I have no evidence as to the rates usually paid. This is true, but I find that it is not the question of price so much as quantity. On looking through the exhibits I notice that those interminable specifications are reprinted from end to end for every contract, all blue printed and several copies. The specifications are standardized - there may be slight variations or special provisions, at times, of course. The clauses that apply to all contracts should be printed in a printing office and kept in stock, as deeds and mortgages are kept in a solicitor's office, and where special clauses are necessary they should be added and typed in. Thousands of dollars a year would be saved in this way when building is active, as it will now be after the war.



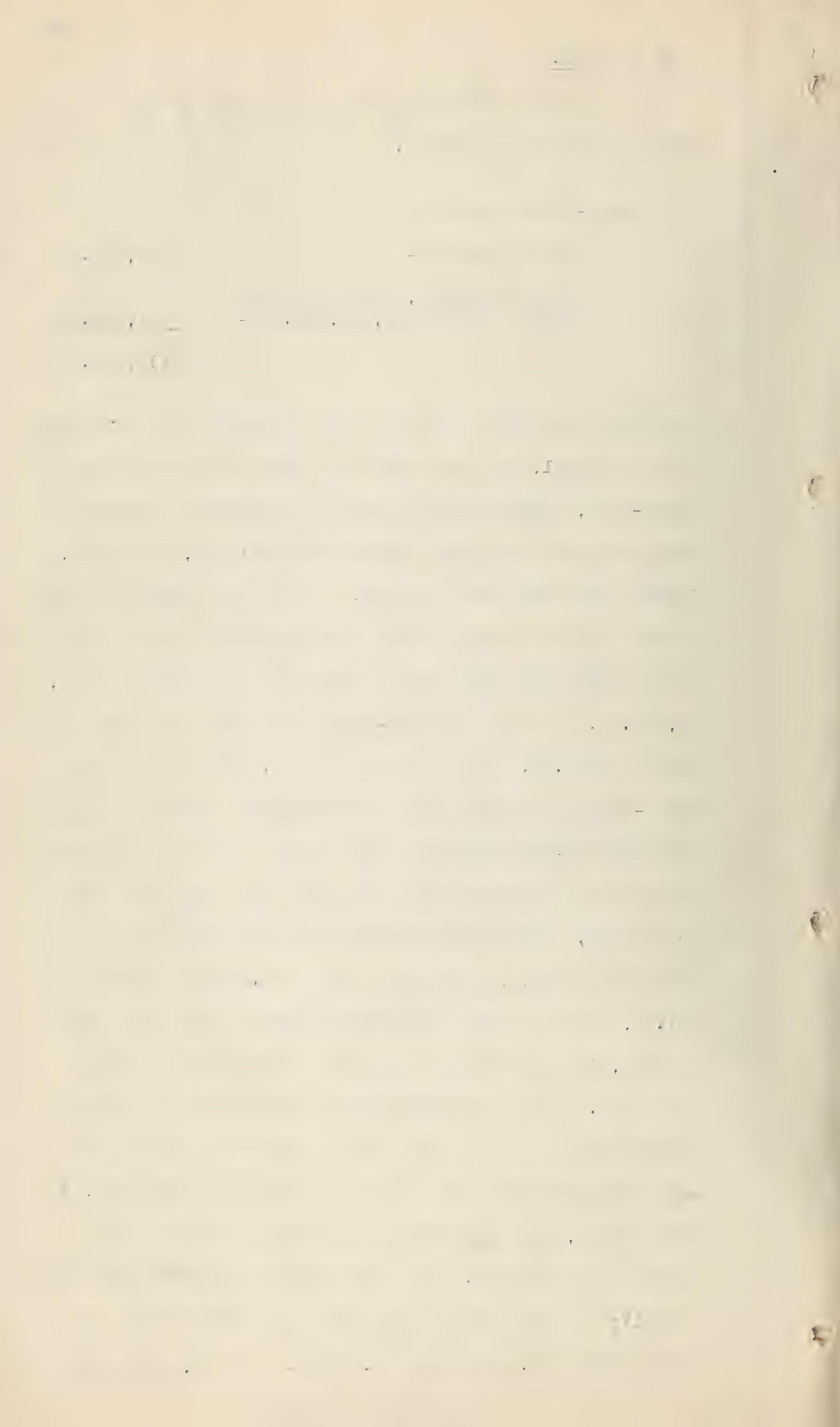
Cost of Fuel.

I take the figures from the Report of the Superintendent of Supplies.

Fuel - Year 1916-1917.

Public schools - - - - -	497,963.45
10 High Schools, including High School of Commerce, \$4,116.95 -	<u>21,533.30</u>
	119,296.81

The Superintendent sets forth the quantity of fuel consumed in each school, the total cost for each and the cost per class-room, except that in the High School of Commerce he does not state the total cost of the fuel nor, of course, in that case the cost per room. The prices and quantities of the different kinds of fuel being stated I have been able to ascertain the cost in this to be as above stated, \$4,116.95. It has 31 class-rooms; therefore the cost per room is .132.30. I was informed by Mr. Warte that the class-rooms are pretty well standardized - about 24 by 38 feet with 13-foot ceilings. The total cost of fuel for the schools does not in itself convey any very definite idea to my mind, but the difference in the cost per room in different schools, running as low as 39.64 and as high as 101.84, without taking the High School of Commerce into account, is undoubtedly suggestive of something wrong somewhere. When the class-rooms in some of the school houses cost one and a half times as much to heat as the same sized rooms in other school houses the difference, I would think, was sufficiently startling to arrest the attention of anybody. This discrepancy was not a new thing in 1917; it has been such the same all along. It has not startled Mr. Bishop or Mr. Warte. As Mr. Warte said

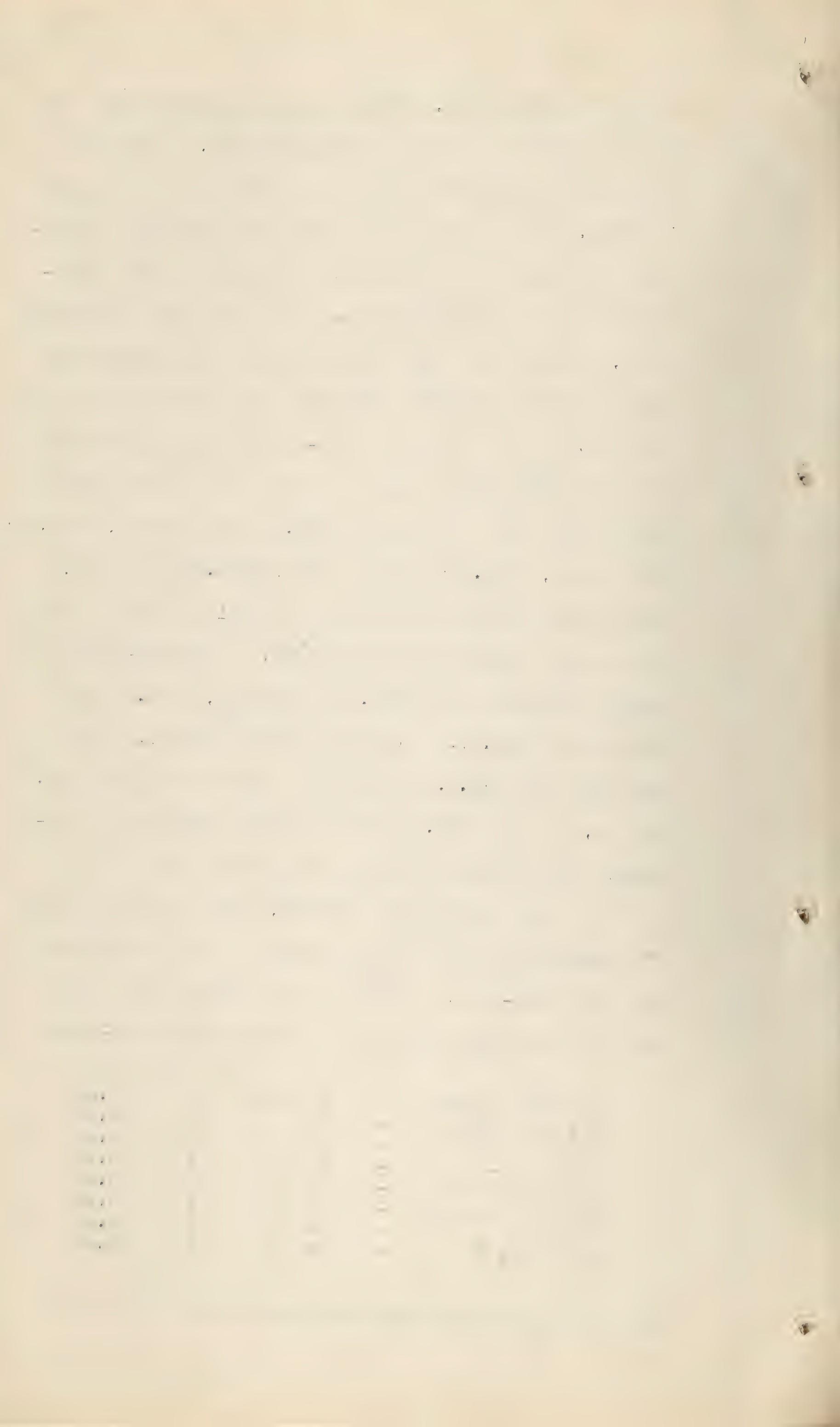


in another connection, "We are not easily disturbed." So far as appears they have not thought of it. There was not even an explanation offered by either in his argument in reply. The figures in themselves challenge the attention of the most casual reader. I will make a few comparisons by way of illustration. I do not take exceptional cases, schools where night classes were conducted or where other abnormal conditions obtained, such as extensions and the like. I take the four eight-roomed schools - dealing with it in this way. I take the total cost in each case. Brant street cost for heating \$129.92; Duke street, \$449.56; York street, \$593.25; George street, \$681.06. That is, the cost for heating George street school was more than 60 per cent higher than Brant school. Of nine-roomed schools Kitchener cost \$494.03; Wilkinson, \$646.83 and Balmy Beach \$871.27. I omit Orde street school. The cost there was \$1070.11 but there was building going on. That is, it cost \$377.24 more for Balmy Beach than Kitchener or a difference of more than 76 per cent.

Take eight larger schools, with a varying number of class-rooms; here it is necessary to take the average cost per class-room. I refer to the average cost as stated by the Superintendent of Supplies per class-room.

Sackville street	-	12 rooms	-	\$30.64
Eglinton avenue	-	17 "	-	48.05
Pauline avenue	-	19 "	-	49.84
McCall	-	14 "	-	50.77
Clinton street	-	21 "	-	62.44
Duke of Connaught	-	21 "	-	90.76
Lansdowne	-	22 "	-	97.50
Dovercourt	-	20 "	-	98.06

The cost per room in Dovercourt and Lansdowne is nearly



two and a half times the cost per room in Sackville street, double the cost in Pauline avenue and Eglington avenue schools and nearly double the cost in McCall. Sackville street is a very old school and it is probable that the conditions are exceptional and that it is in a class by itself.

The cost of fuel is one of several questions that would have been enquired into had it not been that the resignation of Mr. Bishop and Mr. Waste made it imperative to wind up the investigation as speedily as possible. There is however a good deal of incidental light afforded by evidence given in connection with other matters. To a slight degree fuel consumption is affected by locality. A building in an exceptionally exposed situation would for the same results require a slightly increased consumption of fuel, but the difference would be very little. The potent factors occasioning loss are: faulty construction of the building; the adoption of a wrong heating system; faulty installation of the system adopted, including mains or conductor pipes in exposed positions, particularly outgoing mains, want of covering on either, especially the former, equal radiation in all class-rooms regardless of exterior wall exposure, the unnecessary use of pumps, operation of the pumps and fan by steam instead of electrically, sooty flues in tubular boilers, soot-covered tubes in water tube boilers and negligent or incompetent stokers. Every householder who has had the experience of three or four furnace men knows that there is a difference of from 10 to 20 per cent in coal consumption dependent upon the kind of man he employs.

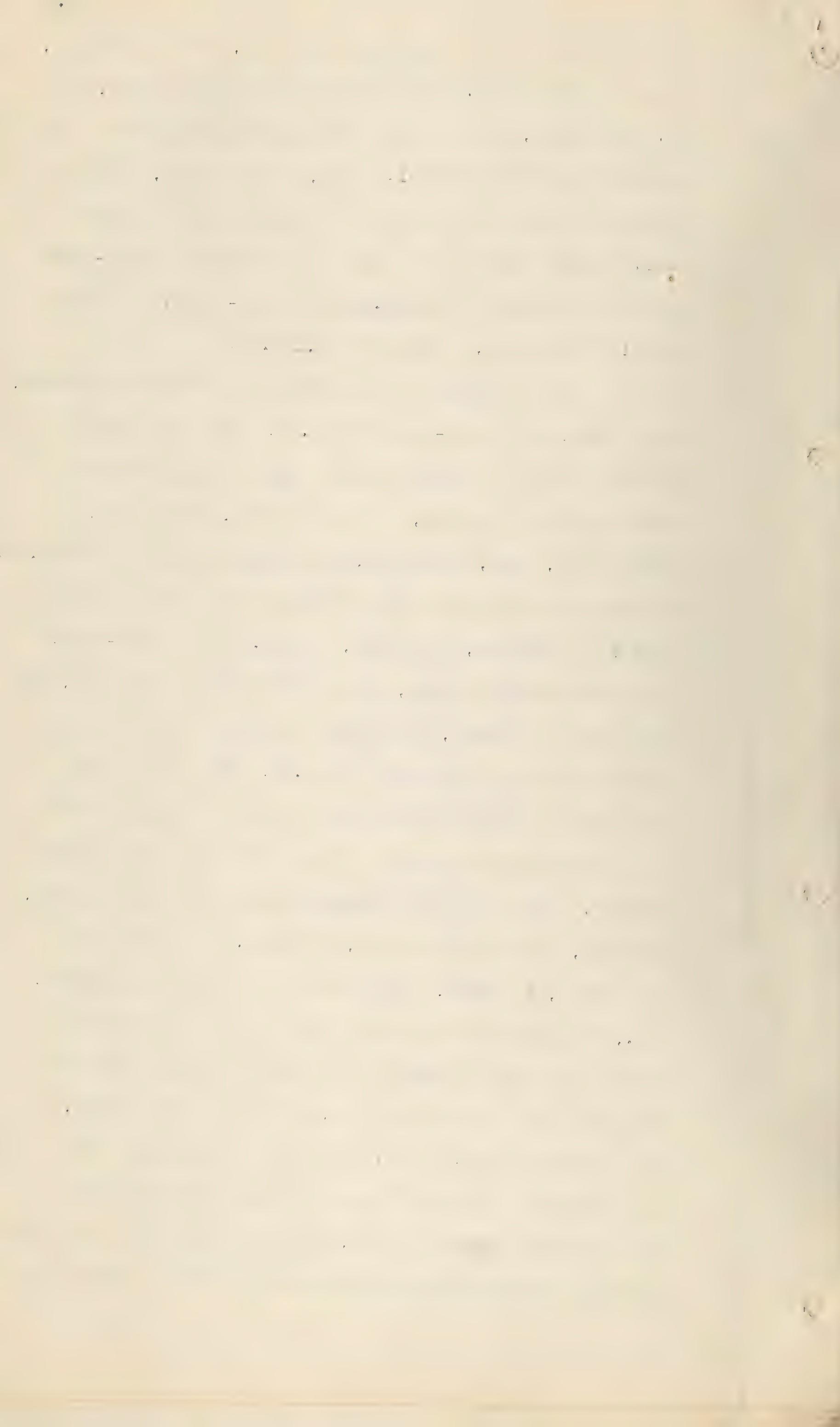
There has been no evidence upon which I would conclude that any of the buildings are per se exceptionally difficult to heat by reason of faulty construction or that the boilers generally speaking are not reasonably suitable. On all the other causes calculated to build up the fuel account there is cogent evidence that the total annual expenditure for fuel has been much greater than, with the exercise of reasonable skill and care it would have been. Instances of pipes in exceptionally exposed positions and often without covering are quite numerous. Instances where pipes have remained uncovered for years, even when the specifications included covering are numerous too. Equal surface radiation for class-rooms of the same size has been the Department's settled method of installation; not only have rooms with one exterior wall, whether on the north or south, the same number of feet of radiation but corner rooms, say north-east or north-west rooms, with approximately double the superficial area of outside wall surface, are provided for on the same uniform basis.

The High School of commerce is one of the great modern schools of the city. There, with all its wide area of basement, there is no adequate accommodation for coal; but I am not dealing with that now. Sydney Jones is the caretaker and began his duties on the 31st July 1916. The specifications required a pipe for separation of air from vapour to run from the condensing tank to an air relief line running up an outside wall to the roof. Instead of this the pipe discharged into one of the chimneys, the

air condensed on the boiler room floor was flooded. This was the condition when the building was taken over and it continued in that condition for two years and four months. Jones' health was impaired by working on a flooded floor. He went down to the Department forty-seven times and complained, "sometimes to Mr. Waste, sometimes to Mr. Bishop and sometimes to Mr. Belfrey." (Belfrey had been instructed to have nothing to do with the High School of Commerce.) Jones' evidence was not challenged. He was patient and forgiving but he could not quite reach "seventy times seven" and at last he shut off the pump and fed the boiler with cold water--overcoming the difficulty by an increased consumption of fuel--for six weeks. Then Trustee Bell came along and objected to the waste of fuel, telephoned the Department, and as a result it was made right the following Saturday. To make it right took just seven and a half hours' work. The boilers installed in this school are of an exceptional type - "Water tube boilers." The tubes soon collect a coating of soot, ashes and so on and to secure combined efficiency and economy in fuel this has to be removed every twenty-four hours. I may say, incidentally, that when these boilers were installed instead of the ordinary tubular boiler, the scheme does not appear to have been carefully thought out. To clean them except by hand a current of steam under 100 pounds pressure, at least, is indispensable. To carry 100 pounds of steam was not contemplated. The safety valves are locked at 75 pounds pressure and the Government will not allow this to be exceeded. They have therefore to be cleaned by hand and as this cannot be

done when heat is on they have only been, and can only be, cleaned once a year. It is therefore not surprising, as Mr. Jones says, that it takes from 500 to 600 tons of coal a year to heat this school. This, for a moment, takes me back to an additional reference to the relative cost of coal. I have pointed out that in the Winter of 1916-1917 it cost at the rate of \$132.80 per class-room in the High School of Commerce, a total of \$4,116.95.

The average cost of heating the 85 Public Schools, 1374 rooms, per class-room is .71.30. This includes 14 schools where the consumption is exceptionally great by reason of night classes, in some of them, extensions, alterations, etc., in others, and running as high as \$118.90. The average cost of the High Schools other than the High School of Commerce, 327 rooms, is \$75.84 per class-room. Take Perth avenue school, where night classes are held, the same number of rooms, thirty-one in each. The total cost of fuel in Perth avenue was \$1654.73. Why should the consumption of fuel in the High School of Commerce be two and a half times as great? Compare it with other High Schools. Total cost of heating Harbord street Collegiate, 20 rooms, Oakwood Collegiate, 20 rooms, and Parkdale Collegiate, 15 rooms, combined--and including gymnasiums, etc., only exceeds the cost of heating the 31 rooms of the High School of Commerce by .35. It is astounding but is clearly to be accounted for, in part at all events, by the evidence of Mr. Jones. Nor is it surprising that with memories refreshed by the evidence recently heard as to uncovered pipes, traps, exposed situations, frostings and heavy repair bills that pipe covering is a conspicuous



feature of the work to be done during vacation. The recommendations include many of the schools where consumption of fuel has been exceptionally heavy and where the pipes have remained uncovered for many years and a score of schools in which they are only now covering pipes in vestibules, entrances, by windows and similar exposed positions. I have no means of knowing what proportion of the men who actually attend the fires are negligent and inefficient. The caretaker employs anybody he thinks fit and the Department lets it go at that. There is evidence of accidents attributable to this cause. While I have not data on which to base a computation there can be little doubt but that the waste of fuel runs into thousands, probably many thousands, every year. The High School of Commerce in its brief career might account for a few thousands. If the 19 rooms of McMurrich school were heated for \$1075.93 in 1916-17 why did it cost \$1488.94 to heat the 19 rooms of Huron street school?. Local conditions of climate will only account for slight discrepancies.

The fuel question should be taken up by the Property committee or the Board, perhaps with the assistance of experts.

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THE ADMINISTRATION BUILDING

This is an exceptional matter. Unlike the erection of schools, a matter of common recurrence, the Board of Education in a city like Toronto is entitled to call upon the public to provide it with a suitable official home. The kind of building that would be erected within any reasonable limits is a matter to be determined by the judgment of the trustees. There has been no wanton extravagance; if I had to give~~s~~ an opinion I would not say there has been extravagance at all. It is a fine building, if I may express an opinion upon it, and not too elaborate ~~so far as the upper floors.~~ The Board asked for what it wanted, and got what it asked for I presume as far as expectations are ever realized in building.

There is this significant difference between the expenditure upon a building of this kind and the proportionate expenditure upon school buildings: In this case I have no doubt that every feature of the building, cut stone included, was thought over carefully by nearly every member of the Board, nothing slippedⁱⁿ and nothing was left out by chance. A matter that Mr. Bishop mentioned may be referred to, although it is clearly "beyond my jurisdiction"; I refer to the decision of the Board to have quarters of its own. If I may express an opinion upon it, I think it was an eminently wise conclusion to come to. As to what the Department did in the erection of this building, it is quite unnecessary for me to go into details; it may be possible to point out differences, but, speaking generally, it was neither better nor worse than its ordinary methods.

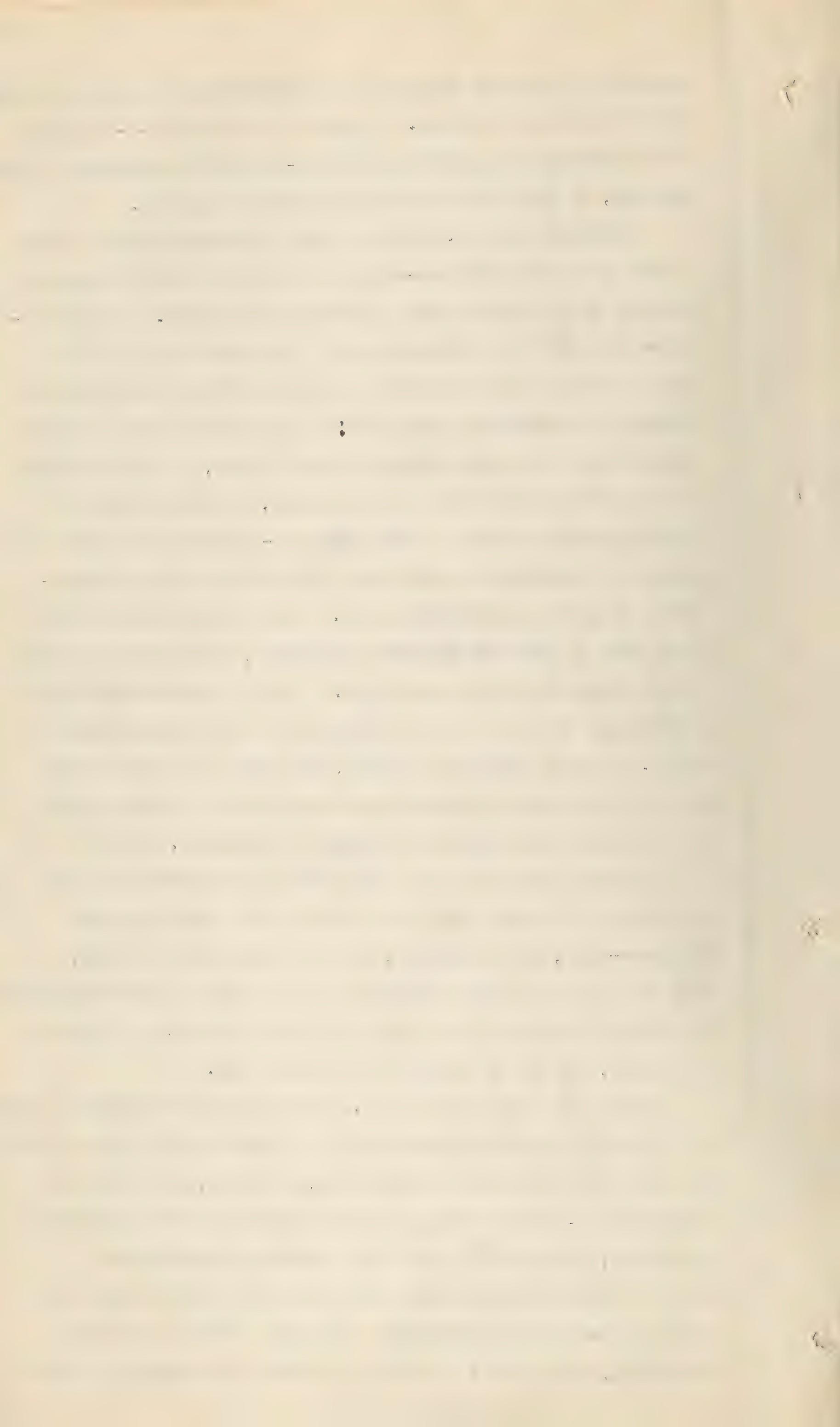
I have not indeed, endeavoured to follow out the matters of detail in a number of cases, I have taken cases which stand as good illustrations of general method; others followed up, they will all present the same features: laxity, absence of adequate supervision, meagre records and an almost total

absence of anything that could be regarded as a legitimate system of checking accounts. I know of no instance---although it is possible one might be found---in which, taking any large account, it has been regularly checked throughout.

I realize that Mr. Dennison may be disappointed in that I have not dealt with one-half of the long list of wrongs and defects which he succeeded in bringing to light. I have decided that as it is impracticable to discuss all to refer only to those involving large expenditure and those that are typical of Departmental methods; of mistakes, of what I would characterize as extravagance in some cases, of indifference to the public interests in many cases, of long delays in looking after matters of some urgency--sometimes of great urgency, of singularly untidy and often dirty boiler rooms---there is quite a formidable list. There must however be a good deal of latitude allowed for errors, and changes of plan in all large building operations. At all events why should I catalogue these? It is a fact, as far as I can analyze it, as Mr. Dennison claimed in reply, that not one charge urged by the investigating counsel was squarely met or challenged by the Department either by evidence or ~~against~~. argument

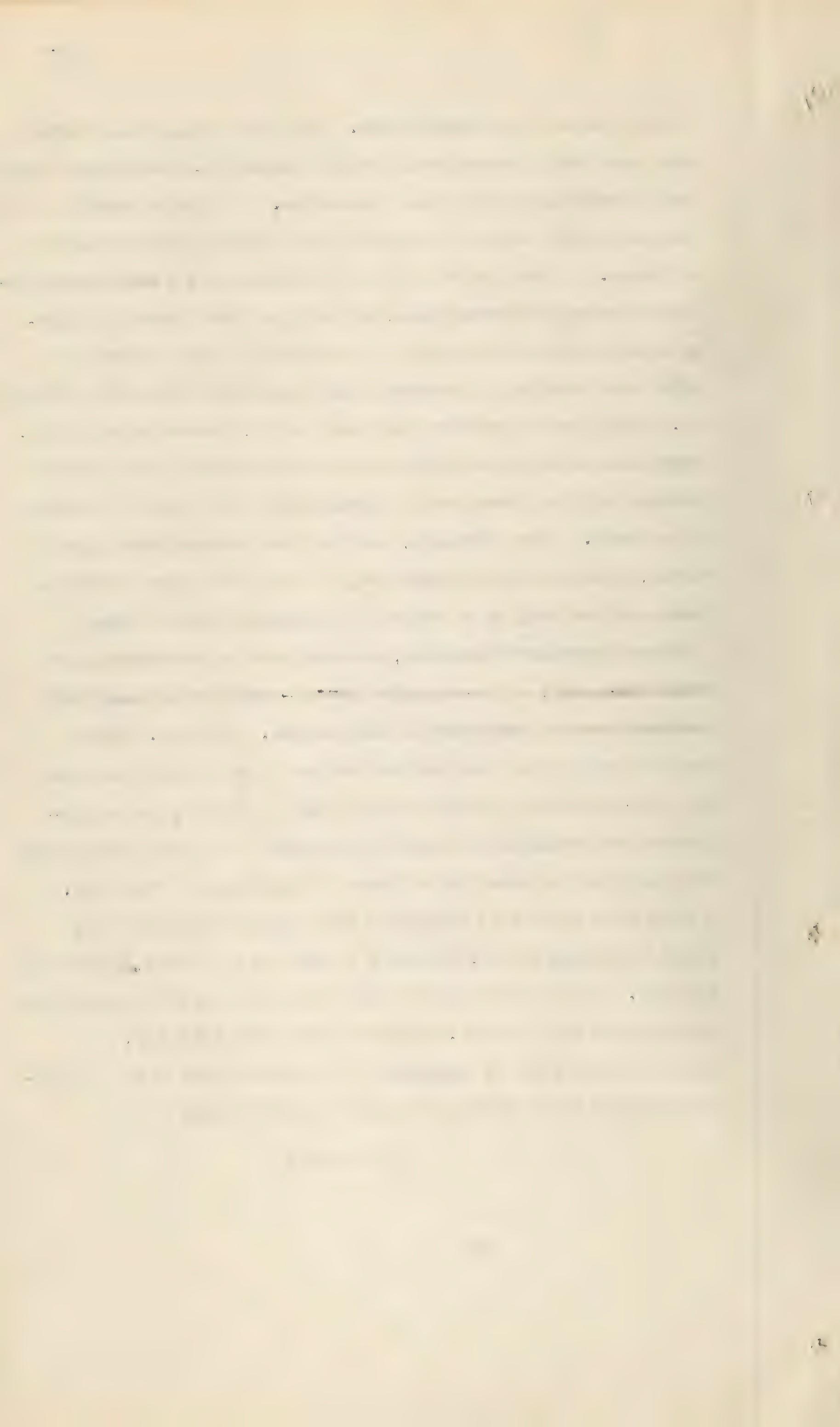
I cannot dispel from my mind that by an accumulation of evidence it is shown that the methods were generally un-business-like, and irregular, that records were not kept, such as in all business transactions are almost invariably kept. It is quite possible that with all this there was no ulterior influence, and it is possible that there was.

During the four years of Mr. Miles Vokes trusteeship as well as in the Springman transaction, as in partnership transactions and the Vokes Hardware transactions, generally, the sinister figure of Mr. Miles Vokes, trustee, Chairman of the "Property Committee, President of the Vokes Hardware Company and owner of three partnerships, was projected into the business transactions of the Department in a way I think to ground suspicion; and without protest or attempt at remedy by either



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of the heads of the Department. In that time, too, enormous sums were being squandered for cut stone, Mr. John Vokes figuring largely as a cut stone contractor. Within certain limits the use of cut stone is a matter of judgment; also a question of taste. I may be wrong in my judgment as to ~~the~~ proportionate or balanced expenditure, and a great deal turns on this. Proceeding upon the basis of the opinion I have formed, I have been seeking to reconcile the expenditure with the duty of Mr. Bishop as a trustee, in other words, honest expenditure. There are possible solutions that would exclude the idea of dishonesty but these would hardly affirm the rigid discharge of a trust. For instance, men who have accomplished great works, great public benefactors, if you like, have sometimes been carried away by a desire to perpetuate their names by some permanent monument, ~~a great work or undertaking of some kind, say, a great public work --- conflicting political parties have no monopoly in this matter.~~ Was Mr. Bishop carried away by an unconscious desire to associate his name with the erection of what he regarded, no doubt, as significant achievements in school buildings? It is a possibility but there is no shred of evidence of anything of the kind. I have been trying to reconcile this expenditure with the rigid discharge of Mr. Bishop's duties as a trustee - absolute honesty. I have not come to the conclusion that he acted dishonestly in this matter. He may have acted honestly. I have not been able to reconcile this expenditure with the combined exercise of honesty and good common sense.



When Mr. E. Percival Brown appeared as counsel, after his return from overseas, he was good enough to explain to me in a few words the position taken by the Board; a perfectly legitimate attitude. There was not a great deal of evidence given after that, and Mr. Brown, as I would anticipate, from what I know of him, endeavoured to assist me in getting at the actual facts regardless of what effect they might have.

Mr. Shirley Dennison's services both as solicitor and counsel were simply invaluable---indispensable I would say, as it would be difficult to find anyone as quick to seize upon the matters requiring investigation or as patient and skilful in following up the intricate and often bewildering operations of the Department.

I am indebted to Dr. John Noble. Mr. C.A.B. Brown, Dr. Caroline Brown, Mr. Joseph Bell, Chief Inspector Cowley, Inspector Elliott and Mr. Butler for assistance in different ways. Books, papers, documents, statistical information. Mr. Bell also devoted a good deal of his time in visiting schools in the early days of the investigation and gave very valuable expert evidence testimony.

Mr. A.F. Lowry very faithfully discharged his duties as reporter to the Commission and promptly furnished copies of the evidence from time to time.

In the months that this investigation has covered I have naturally thought a good deal over the problems which the Board has to solve, in meeting what is now in effect a crisis in school matters in Toronto, and have come to some conclusions, which might or might not be useful. I intended to embody them in my report but have decided to omit them. My report is much longer than I intended to make it. If they are wanted they will be available as suggestions. I have ventured to say just what I mean about the action of the Board in the early part of 1914, because I think it is only justice to Mr. Bishop and to Mr. Waste, as well, though in less degree.

It may be displeasing to the members of the Board who concurred in the proceedings of that time, but I prefer to incur their displeasure or hostility, if it should be, rather than merit their contempt.

I transmit herewith the evidence taken on the Commission and the Exhibits filed.

I have the honour to be, Sir

Your humble and obedient Servant,

*Naughton Lennox
Commissioner*

Dated at Osgoode Hall
in the City of Toronto
this 18th day of August, 1919

